TOP BRANDS

Part 1: Store Manager Survey

Growth in National Brands Accelerates at Discounters

The growth of national name brands at discount stores is accelerating at its fastest rate in four years. Now, more than ever, discount store shelves are being filled with an increasing number of national name products.

According to the results of *DSN's* 1990 Top Brands Survey, discount store managers across the country report that brand name products are on the rise, especially in such categories as health & beauty aids, ladies' apparel, housewares, men's apparel and toys. The study, conducted for *DSN* by Leo J. Shapiro & Associates, the Chicago-based market research firm, revealed that 48% of all store managers said their stores are offering more name brand merchandise this year than they did in 1989.

A year ago, only 42% of store managers said they carried more name brand products than in the previous year.

The current increase in branded goods follows three years of relatively lower growth. The 48% figure is the greatest increase in brand name merchandise on retailers shelves since 1986, when 48% of managers surveyed also said they were carrying more name brand goods than in the previous year.

This year, fewer than half the survey's respondents said branded merchandise stayed the same as in 1989 and 5% said it was less.

The 1990 Top Brands Survey features the responses of 301 discount department store managers nationwide. In July, the managers were asked a variety of questions concerning branded products in 18 product categories, one more than last year.

On the current survey, greeting cards was developed into a separate category apart from stationery. This was done to better identify the top performing brands in greeting cards and the characteristics of their success. Separating the entities also allows for greater insight on traditional stationery items such as notebooks, writing instruments and back-to-school and home/office supplies.

Overall, store managers were asked a battery of questions on branded products and the reasons for their success. The key questions were:

- What are your best performing brands?
- To what do you attribute the success of the top brands?

Managers also were asked to calculate brand growth over the previous year in each category and to forecast brand growth in the coming year.

And for the first time, managers were asked five different questions on the influence they have over the merchandise brands, displays and advertising in their stores (*see story on page 53*).

The managers simply were asked to name all their top performing brands in each merchandise category. For example, a manager asked to name his or her best performing brands in the stationery category could have said "Mead, Stuart Hall and Cambridge." Therefore, each brand name would garner a "mention" and the brand with the highest percentage of mentions would be listed No. 1 on the Top 10 list for that category. Note that even though Cambridge is a division of Mead, it would stand alone as a separate brand name due to its mention by store managers as a separate brand.

The poll produced overall brand rankings of manager perceptions of top performing brands based on responses from all the store managers, for those who are considered conventional discount operators such as K mart, Wal-Mart and Ames, and for upscale discounters like Target, Bradlees and Caldor.

Rankings were also derived from manager responses in each of the nation's four regions and among managers of each of the nation's four largest discount chains—K mart, Wal-Mart, Target and Ames.

Overall, store managers named more brands as top performers in each category than they did a year ago, illustrating greater brand depth throughout the stores.

This year, the average number of brands named as top performers per department rose to 2.0, from 1.7 in 1989. The department leaders were household cleaners and chemicals, consumer electronics, and food, candy and snacks each with 2.5 brands mentioned per response. Toys, automotives and health and beauty aids were close behind with 2.4 brands per response. An average of 2.3 sporting goods brand names were mentioned by each manager and 2.2 housewares and cosmetics brand names were mentioned per manager.

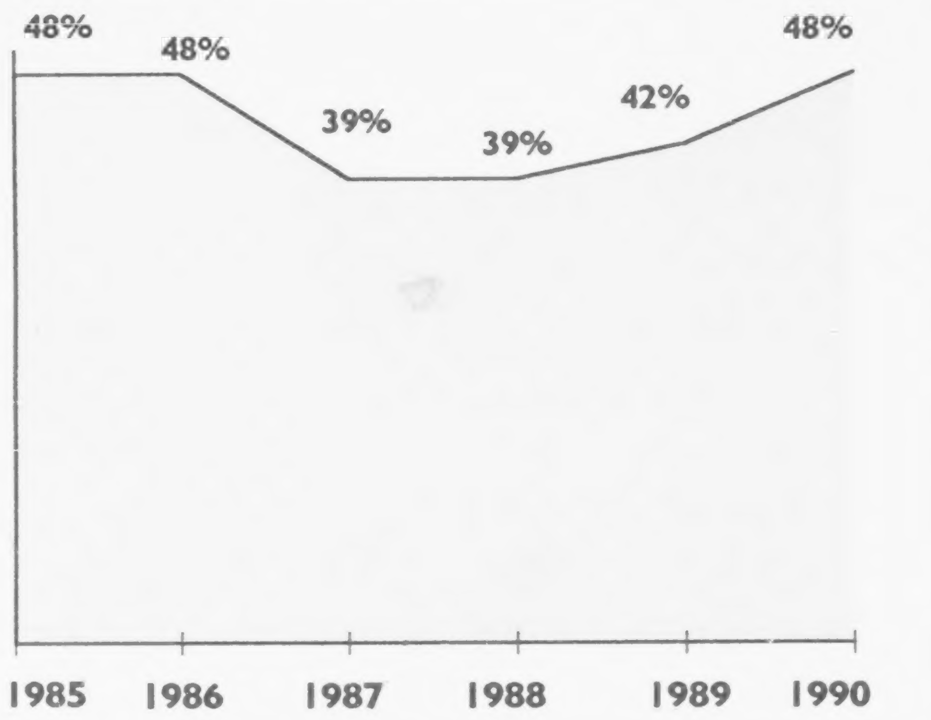
Departments with the least amount of top brands mentioned were children's apparel, 1.2, and greeting cards, 1.0 per respondent.

In many categories, the top one, two or three labels stand way out above the rest of the category's top performers, an improvement from year's ago when categories were domi-

(Continued on page 53)

National Brand Name Growth At Discounters

Percent of store managers reporting increase in number of name brands carried in their store:



Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Where Name Brands Are Growing

Percent of store managers reporting increase in number of name brands carried by department.

Department	1990	1989	1988	1987	1986
Health & Beauty Aids	21%	17%	21%	21%	17%
Ladies' Apparel	18	17	13	10	16
Housewares	16	14	23	24	20
Men's Apparel	15	14	15	11	14
Hardware	9	14	9	8	11
Consumer Electronics	7	8	5	8	9
Household Chemicals	7	7	7	NA	5
Automotives	5	5	4	6	3
Children's Apparel	5	4	6	3	3
Sporting Goods	5	3	10	11	9
Toys	5	2	2	4	4
Cosmetics	4	4	7	10	6
Domestics	3	3	2	3	4
Food, Candy, Snacks	3	1	5	2	5
Photo, Camera	1	1	1	1	2
Stationery	1	1	2	NA	NA
Personal Care Appliances	1	1	NA	NA	NA
Greeting Cards	0	NA	NA	NA	NA

NA—not available

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

National Survey Reveals Store Managers' Top Performing Brands

Automotives* *101
Pennzoil
Quaker State
Fram

Consumer Electronics* *69
Pennzoil
Quaker State
Fram

Cosmetics* *65
Maybelline
Cover Girl
Revlon

Domestics* *73
Cannon
Peperell/Lady Peperell/Westpoint
J.P. Stevens

Food, Candy, Snacks* *111
Frito-Lay
Hershey's
Planters

Greeting Cards* *109
American Greetings
Ambassador
Gibson

Hardware* *105
Black & Decker
Stanley
Glidden

Health & Beauty Aids* *95
Crest
Colgate
McNeil Labs

Household Chemicals* *78
Tide
Clorox
Windex

Housewares* *71
Rubbermaid
Corelle
Black & Decker

Children's Apparel* *57
Fisher-Price
Lee
Gitano

Ladies' Apparel* *55
Gitano
Lee
Chic

Men's Apparel* *59
Fruit of the Loom
Wrangler
Hanes

Personal Care* *74
Conair
Norelco
Remington

Photo, Camera* *76
Kodak
Canon
Polaroid

Sporting Goods* *99
Coleman
Wilson
Zebco

Stationery* *97
Mead
Bic
Crayola

Toys* *107
Fisher-Price
Mattel
Playskool

Discount store managers nationwide named their best performing brands in 18 merchandise categories, in a poll conducted for Discount Store News *by Leo J. Shapiro & Associates.*

Price Looms Larger As Key to Brand Success

Good, low prices gained importance last year as a major ingredient in the success of a national name brand at retail.

While still the No. 4 characteristic behind advertising, brand recognition and product performance, price is a vital part of building a top performing brand, according to responses from store managers polled for *DSN*'s 1990 Top Brands Survey.

In fact, two-thirds of the managers reported that they attribute the success of their top performers to price, three times the responses recorded in the 1989 survey.

Managers also stressed the added importance of advertising, product performance and brand recognition in the current survey. Response levels for the three top attributes of a best performing brand more than doubled for advertising and brand recognition and nearly tripled for product performance.

Obviously, what store managers are saying is that the equation of quality name brand products plus good, low prices equals value. Each must be present to produce a winning product.

In addition, consumers have altered their buying habits to accommodate their new shopping philosophy: buying the best for the least. The allure of high-priced stores has waned since many of the same brands can be purchased at other stores.

Of the Big Four discounters, price was most important to Wal-Mart managers. Seven out of 10 Wal-Mart managers reported that price was an attribute of their top performing brands, compared with six out of 10 managers at K mart, Ames and Target.

Strangely, though, for Ames managers, price was not as big a consideration as it was for the other discounters. Only four out of 10 Ames managers said price was an attribute of a top performing brand.

Overall, price was a bigger concern for conventional discounters than it was for upscale discounters. Six out of 10 conventional discount managers said price was an attribute of a top performer, compared with five out of 10 upscalers.

For Target, though, price was as important an ingredient to a product's success as it was for conventional discounters. Six out of 10 store managers said price was an important attribute to building a top performing brand.

K mart managers gave price the same importance as all conventional discounters. Two-thirds of the respondents said price was an attribute of top performing brands in their stores.

Of the 18 product categories surveyed in the current report, price was an ingredient in all but one category: household cleaners and chemicals. When store managers were asked specifically about the attributes of top performing brands in the cleaners category, price was not mentioned. For household cleaners, advertising was listed as the key reason for a product's success.

Price was named as the No. 1 attribute to a product's success in the personal care appliance category. Nearly one-third of the surveyed managers said price was an important factor in building a top performer, compared with roughly one-quarter each for advertising, product performance and brand recognition.

Of all the products mentioned by managers as top performers, Windmere was reported to be the most price-sensitive, with three-quarters of all store managers saying price was a reason for the product's success. Emerson, a consumer electronics brand, was second with two-thirds of the managers responses, and Conair, another personal care appliance label, was third with one-half of the managers naming price a vital ingredient to the brand's success.

Overall, advertising was mentioned by store managers as the No. 1 attribute of top-performing brands, edging out brand recognition, just three-tenths of a percentage point back. Product performance was third, three percentage points behind brand recognition. Advertising was named as the primary ingredient to a product's success in five of the 18 product categories.

Brand recognition became the most important attribute to a product's success in 11 of the 18 categories, particularly photo and camera, domestics, and food, candy and snacks. In each of those categories, roughly four in 10 store managers named brand recognition as an attribute of a top-performing brand.

Advertising programs appeared to be most important in health & beauty aids, ladies apparel, household cleaners and chemicals, and photo.

Product line variety was listed as the main attribute of a successful greeting card department and price was the No. 1 ingredient in making a prosperous personal care appliance category, according to survey responses.

The brands most sensitive to advertising appear to be Johnson & Johnson and Crest brand H&BA products, according to manager responses. Almost eight out of 10 managers said advertising was a prime ingredient to the success of Johnson & Johnson brand products, followed by seven out of 10 managers who named Crest. Remington, a personal care appliance label, was third, with nearly seven out of 10 responses.

Brand recognition was most closely associated with Polaroid camera and photo equipment, according to manager responses. Nearly nine out of 10 respondents mentioned brand recognition as an attribute to Polaroid's success. Spalding sporting goods was second with three-quarters of survey respondents. Brand recognition was also a prime attribute for Wilson brand sporting goods.

National Brands Accelerate Growth

(Continued from page 37)

nated by one or maybe two labels. In those cases, however, the rest of the brands are closely grouped together.

There were a number of categories where the dominance of a few brands did overpower the other labels in the category. Chief among them were hardware, photo & camera, and greeting cards.

Black & Decker and Stanley received nearly the same high level of mentions this year as top performers in hardware, more than nine times the response rate of No. 3 Glidden. But in keeping with the overall trend, the third to 10th-place hardware brands received about the same response rate from managers, making any ranking of the remaining labels fairly useless.

Kodak again dominated photo & camera with a response rate two and a half times that of No. 2 Canon—which edged out No. 3 Polaroid, which eked by No. 4 Minolta.

In greeting cards, store managers named American Greetings more than twice as often as No. 2 Ambassador which led No. 3 Gibson 3-to-1.

Yet, there were instances where a single brand name did not overwhelm a category. These merchandise categories feature a group of top performing brands that are closely linked in managers' minds.

For example, in the children's apparel category the list of top performers resembled a horse race. Seven brands are literally neck-to-neck. The consumer electronics category produced similar results, with the top six brands receiving almost indistinguishable results.

***Although Gitano did** consolidate its position among store mangers surveyed as the top-performing brand in ladies' apparel, the category is still fluid enough to accept newcomers.* (DSN photo)

This special report, 1990 Top Brands: Store Managers Survey, was written by the entire *DSN* staff under the coordination of senior editor Laura Liebeck. Part II of the survey, 1990 Top Brands: Consumer Survey, will appear in the next issue. The Consumer Survey reports on the top brand preferences, by product category, of the nation's discount store consumers.

Both studies were conducted by Leo J. Shapiro & Associates, the Chicago research firm.

TOP BRANDS REPRINTS

PART I: Top Brands Study: Store Manager Survey
Oct. 1 Issue Features Store Managers'
Ranking of the Top Performing Brands
In Each of 18 Product Categories

PART II: Top Brands Study: Consumer Survey
Oct. 15 Issue Features Discount Store
Consumers' Preferences for Name Brands
In Each of 18 Product Categories

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TOP BRANDS

APPAREL

Women's • Men's • Children's • Hosiery • Jewelry & Accessories • Underwear • Intimate Apparel

Gitano Enhances Place in Women's Wear

Ladies': Top Brands Vary by Type of Outlet

Brand	All Discounters 1990	All Discounters 1989	Conventional Discounters 1990	Conventional Discounters 1989	Upscale Discounters 1990	Upscale Discounters 1989
Gitano	44%	30%	42%	27%	53%	42%
Lee	19	25	17	25	30	27
Chic	16	10	16	10	17	12
Hanes	15	2	15	1	15	4
Jaclyn Smith	13	11	15	14	—	—
Bobbie Brooks	9	7	10	9	—	—
Wrangler	8	5	8	5	6	10
Fruit of the Loom	6	4	5	4	13	7
Bonjour	4	1	5	1	—	—
Jordache	4	1	5	1	—	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Gitano led this year's Top Brands Survey of ladies' apparel by its widest margin yet and has managed to hold this title among managers of both conventional and upscale discount stores and in most regions of the United States.

Four out of 10 store managers said Gitano was among their best performing brands in ladies' apparel. At upscale discounters, half of the respondents said it was a top label.

Gitano has been flip-flopping from first and second place in the category for the last five years, battling it out with Lee. But the firm has never shown such a wide disparity between itself and its closest competitor.

Lee was No. 2 overall for the second year in a row. This brand trailed Gitano among all managers polled and at conventional discounters. It stayed close to the top with gains at upscale discounters especially. To its credit, Lee has also maintained its stance in either first or second place for the last five years.

'In the Spirit of Family,' Gitano led in ladies' apparel, while Jaclyn Smith (below) led category for K mart. (DSN photos)

Ladies': Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Gitano	48%	56%	37%	23%
Lee	24	11	30	8
Chic	17	13	17	21
Hanes	18	13	20	8
Jaclyn Smith	4	10	13	28
Bobbie Brooks	—	18	3	3
Wrangler	8	8	5	10
Fruit of the Loom	4	6	11	—
Bonjour	—	9	2	—
Jordache	1	9	—	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Rounding out the Top 10 are Chic, Hanes, Jaclyn Smith, Bobbie Brooks, Wrangler, Fruit of the Loom, Bonjour and Jordache.

At Wal-Mart stores, Gitano even managed to edge out Bobbie Brooks, Wal-Mart's own store brand. Half of the respondents from Wal-Mart made mention of Gitano as a top performing brand, while only one-quarter of those cited Bobbie Brooks as among their top performers.

At K mart, however, Jaclyn Smith, the long-standing house brand of the nation's largest discounter, led the category, followed by Gitano.

Ladies': How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Gitano	18%	75%	73%	58%
Lee	4	—	51	36
Chic	13	—	15	33
Hanes	9	20	20	8
Jaclyn Smith	49	—	—	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Hanes, Bonjour and Jordache joined the Top 10 list this year, its first change in several years. Hanes came in fourth place, with an especially strong gain among conventional discounters.

The success of Bonjour and Jordache, which last made the Top 10 in 1987, was due mainly to performances at conventional discounters. Neither was named by upscale discounters.

The newcomers replaced Levi's, Playtex and Cape Cod, though these still came in 11th, 12th and 13th, respectively.

Despite what some industry observers may say, the survey indicates that jeans continue to be an important product category. Aside from the two retailer-owned brands, six of the 10 labels on the Top 10 list are jeans brands. In fact, 12 of the total of 24 brands mentioned by the store managers were jeans brands. The other jeans labels included Levi's, Brittania, Sasson, Gloria Vanderbilt, Calvin Klein and Braxton.

This listing may be slightly deceiving because many major jeans brands, including Gitano, have expanded beyond just jeans into all levels of the ladies' and juniors' market.

Another trend is confirmed on this survey by the evidence of fleece labels. With Fruit of the Loom in eighth place and Hanes coming in at fourth, the survey reveals the importance of basics at retail.

Which basics are important has changed, however. Playtex, which last year ranked 7th, dropped off the Top 10. Playtex is the only foundations brand named in the list of 24 brands.

Gitano managed to easily capture the Northeast, South and North Central regions. It came in second in the West, where K mart's Jaclyn Smith was mentioned most often. Regionally, this was consistent with last year's findings.

The West seems to be the most precarious market for Gitano in all of its divisions. For its ladies' line, five percentage points separate Gitano from first-place Jaclyn Smith. More worrisome for the company may be that only two percentage points separate it from third-place Chic in that region.

Lee came in second in both the Northeast and the North Central regions.

Predictably, Bobbie Brooks came in a strong second in the South, definitely Wal-Mart territory.

The South seemed to be the region that gave the newcomers to the Top 10 list the most impetus. All three newcomers seem to have fared especially well in the South. In this region, both Jordache and Bonjour had their strongest showing. Hanes was a consistent third in the South, Northeast and North Central areas.

While Gitano sits comfortably on top, the jockeying for position was more interesting in the Nos. 2 to 10 spots, especially in the individual stores.

Lee, No. 2 overall, ranked second at Ames and Target, but trailed Chic at K mart.

Hanes, which held a respectable third position at Wal-Mart and Ames, was only sixth at Target.

Despite the familiarity of the names appearing on the survey, brand recognition trailed far behind advertising as the leading reason for a label's success.

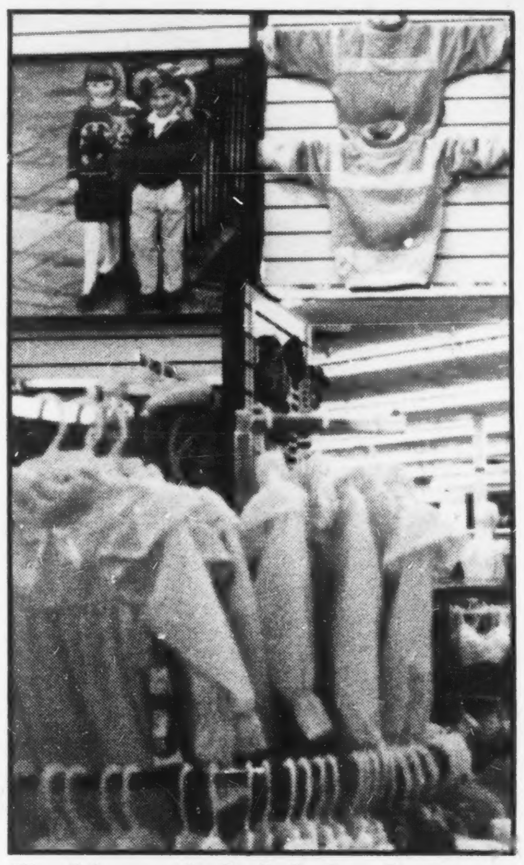
The past few slow retail seasons may have left a bad taste in some retailers' mouths, and that it does pay to advertise.

Of all the apparel areas, the ladies' category was the only area that advertising came before brand recognition. Specifically, the stores' own advertising was most often mentioned as a performance contributor. This is a switch from last year's survey when vendor advertising was rated more important. On the current survey, manufacturers' ad campaigns trailed brand recognition as a deciding factor in brand performance.

Wal-Mart and K mart again managed to show their priority differences in their responses. After advertising, Wal-Mart managers cited good prices as essential to its successful brands.

At K mart, product presentation ranked higher in determining product performance. It followed store advertising. For this chain, brand recognition came third.

Fisher-Price Leads Category in Kids' Duds



Fashion-minded baby boomers *want more labels for their children's clothing.* (DSN photo)

Infants', Toddlers', Children's: Top Brands Vary by Type of Outlet

Brand	All Discounters		Conventional Discounters		Upscale Discounters	
	1990	**1989**	**1990**	**1989**	**1990**	**1989**
Fisher-Price	12%	9%	13%	7%	9%	19%
Lee	10	13	10	13	13	11
Gitano	9	1	7	1	20	3
Liberty	9	6	11	7	—	—
Wrangler	9	2	9	3	8	1
Gerber	8	2	8	1	8	8
OshKosh	7	6	7	6	9	3
Curity	4	11	3	8	8	24
Garanimals	4	4	4	4	3	5
Spencer's	4	2	4	3	—	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Infants', Toddlers', Children's How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Fisher-Price	9%	38%	—	14%
Lee	2	5	20%	11
Gitano	2	10	17	11
Liberty	2	35	—	—
Wrangler	4	13	3	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Infants', Toddlers', Children's Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Fisher-Price	4%	20%	9%	9%
Lee	19	7	14	3
Gitano	16	11	8	2
Liberty	4	20	3	—
Wrangler	7	7	10	14
Gerber	5	11	6	5
OshKosh	9	3	11	9
Curity	—	3	7	3
Garanimals	—	8	2	—
Spencer's	5	3	4	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Gitano and Wrangler, brand names familiar to adults, have appeared for the first time on *DSN*'s Top Brands list in children's apparel.

Store managers from both conventional and upscale discount stores gave the two popular brands high marks for being good performers in the children's apparel category. Apparently, parents want these labels and they will readily buy them for their children. These factors coincide with the increasing trend at discounters to focus on national brands.

Demographics would also explain the results in this category. The current baby boomlet is increasing the demand for more products with fashion labels. Gitano, especially, is proving a formidable upstart in the children's area.

This is one category where there appears to be no clearcut winner. Many labels did well depending on the store and the region.

Fisher-Price led the category overall, with Lee coming in second. Interestingly enough, Fisher-Price fared better at conventional discounters, while Lee did better at upscale discounters.

The rest of the Top 10 list, in order, included Gitano, Liberty, Wrangler, Gerber, OshKosh, Curity, Garanimals and Spencer's.

Of all the apparel areas, the children's category showed the greatest change. Health-Tex, a perennial favorite, is off the Top 10 list for the first time since 1986. This year, it ranked 12th.

Fruit of the Loom, which improved its stance in the women's and men's area, lost ground in children's. Also off the Top 10 list is Garan and Pampers.

Replacing these labels are Gitano, which ranked third in its first time on *DSN's* 1990 Top Brands Survey, Wrangler, Gerber and Spencer's.

Lee a Consistent Performer

Though Lee was ousted from first place in this year's survey, it landed in a respectable second place. To its credit, Lee has been the most consistent performer in the survey. The label has stayed in the top five since 1986, and topped the list for the last two years. Even in the current survey, it is only two percentage points away from first place.

Although Curity dropped to eighth place this year, if it were combined with Gerber—they are both part of Gerber Childrenswear Inc., Greenville, S.C.—it would have tied with Fisher-Price for first place, and only two percentage points more than second place Lee, reaffirming that the field is wide open in chidren's wear.

For all the movement in this category, the wealth is shared relatively evenly among the brands. While Fisher-Price and Lee are by far mentioned the most often, the other labels are running neck-to-neck. Even those not making the Top 10 list are doing well at certain chains.

At K mart, Fisher-Price and Spencer's are equally mentioned as top performers.

Lee and Gitano share equal billing at Ames.

At Target, the distribution is even greater, with Fisher-Price, Lee, Gitano, Gerber, Curity and Fruit of the Loom doing equally well at the chain.

Only at Wal-Mart is there a decisive winner. Fisher-Price was mentioned by one quarter of the store managers in that chain. Liberty came in a close second.

In total, respondents mentioned 26 different children's wear brands in the survey.

The scenario changes little when studied by region. Each region seems to have not one, but two favorites among the respondents. And again, those in third, fourth and fifth place are gaining ground quickly.

Fisher-Price and Liberty were mentioned by two out of every 10 store managers in the South. The South also had a tie for second place between Gerber and Gitano.

Garanimals also did well in the South, placing third in that region. It was not mentioned, however, by managers in either the Northeast or the West. Garanimals is another label that has maintained its showing in the Top 10, though off its high of four years ago when it led this category.

In the West, very fittingly, Wrangler ranked first among the brands. OshKosh and Fisher-Price tied for second.

Lee managed to secure a more definitive first place finish in both the Northeast and the North Central regions. Brand recognition and good price points were cited as reasons for Lee's success throughout.

Gitano placed second in the Northeast.

OshKosh was second in the North Central states. Though further down the Top 10 in the North Central region, when Gerber and Curity are added together they hold a firm second place showing. The two labels together are only one percentage point away from first place in this area.

Though Gitano did well overall, it had a poor showing in the West. The label ranked higher in the other regions identified.

Gitano's high placement in this year's overall survey was helped by its especially good performance at upscale discounters. It was the leading brand, by a wide margin, within this tier. Fisher-Price, with a narrower margin, was first among conventional discounters.

Both Liberty, which moved from sixth to fourth place this year, and newcomer Spencer's managed to place well based on its performance at conventional discounters alone. They were not mentioned by upscale discounters.

By the same token, a poor performance at upscale discounters by Curity managed to move that label from second to eighth place.

While Gitano proved the biggest mover at upscale discounters. Gerber was the success story at conventional discounters. Though it placed fifth in that tier, it showed the biggest jump in percentage points.

According to survey responses, the shifts of labels at conventional discounters were less dramatic and contributed to the even distribution of attention to the labels in this grouping.

While well-known fashion labels were added to the list this year, price was the most often mentioned reason for a label's success. That is consistent with the shopping habits of American parents.

Even those parents not traditionally considered discount store shoppers will buy their children's clothing at the local discount store. Parents dressing their children still want value—the right brand at the right price.

Wal-Mart and K mart store managers both cited good, low prices as the primary reasons for their leading brands' success. Brand recognition was more important to Ames and Target store managers.

K mart managers also cited advertising as an important factor to brand success at its stores, with brand recognition the third consideration.

Wal-Mart managers had advertising lower on its list of priorities, with brand recognition the second most important aspect of brand performance.

In the West, as a region, managers feel more strongly about the influence of advertising on children's brands. Respondents said they are more likely to attribute a label's success to advertising.

In the Northeast and the South, brand recognition was the more important attribute.

The more value-conscious North Central region rated low prices and brand recognition equally when attributing a label's success.

Top Men's Wear Brand Shuffle Positions

Fruit of the Loom
T-Shirts
$5.99
• 100% preshrunk cotton
• Premium weight
• Full cut fit
• Taped neck seam
• Sizes: M, L, XL, XXL

RUSTLER
Lee
Wrangler
BRITTANIA
POWER BLUES
8
Wrangler
19 99

***Once again Fruit of the Loom,** as in 1987, took the No. 1 position in men's wear, and received better with upscale discounters. Wranglers, at No. 2, fared better with conventional discounters.* (DSN photos)

Men's: How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Fruit of the Loom	20%	50%	29%	39%
Wrangler	29	38	5	33
Hanes	22	35	20	25
Lee	6	5	61	31
Levi's	2	—	5	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Men's: Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Fruit of the Loom	28%	32%	31%	20%
Wrangler	22	37	21	35
Hanes	17	25	29	15
Lee	36	22	23	10
Levi's	9	3	13	15
Gitano	12	11	8	3
Rustler	1	12	8	6
Brittania	5	7	11	6
McGregor	20	5	5	3
Dickies	5	3	8	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Mens': Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	1990	1989	1990	1989	1990	1989
Fruit of the Loom	30%	25%	28%	25%	36%	23%
Wrangler	29	25	30	26	26	19
Hanes	24	16	24	16	24	20
Lee	22	29	20	29	36	29
Levi's	9	13	9	13	10	16
Gitano	9	5	8	3	14	18
Rustler	8	3	8	3	10	4
Brittania	8	4	5	3	26	9
McGregor	6	7	6	7	9	9
Dickies	4	10	5	12	1	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

It was a close race in the men's wear brand rally. Fruit of the Loom just barely regained its 1987 position as the leading men's label in *DSN*'s 1990 Top Brands Survey, edging out Wrangler.

Fruit of the Loom rose to the top spot this year by jumping two places, ahead of No. 2 Wrangler and Lee, which led the top brands list in 1989.

The roster for the top five brands included the same names as last year, although somewhat reshuffled. Wrangler, a fraction off first place, stayed in second position for the fourth year. Hanes moved up to third from fourth place, where it had been since 1986, and Lee went from No. 1 in 1989 to No. 4 this year, its worst ranking since *DSN's* Top Brands Survey began five years ago. Levi's remained fifth.

In what has been a volatile men's market, both Fruit of the Loom and Levi's have two labels—Wrangler and Gitano, respectively—following so closely behind them that the slightest shift could mean a change in position.

Fruit of the Loom was mentioned as a top performer by 30% of survey respondents, while Wrangler was mentioned by 29% of managers.

Wrangler also did better with conventional discounters, while Fruit of the Loom, in a change from last year, performed better among the upscale discounters. The two were ranked just as closely last year, though then, Lee overshadowed both brands.

In the other photo finish in this category, both Levi's and Gitano were mentioned by 9% of the respondents. In fact, Gitano managed to overtake Levi's at upscale discounters, while still holding its own at conventional discount stores. Differences at specific stores attributed to the close races.

At K mart, for instance, Wrangler was the store leader, while at Ames, Lee ranked first in men's wear brands. Fruit of the Loom obtained its standing by being the leader at Wal-Mart and second at Target, which cited most often Brittania as a top performer.

Hanes made the biggest move in the survey from last year. A quarter of the respondents named it as a leading performer at their stores. The label has consistently done better at upscale discounters, but this year also bettered its position at conventional discounters.

The largest move downward was Levi's. The company's other brand, Brittania (No. 8 in the overall survey), would not have advanced Levi's placement, but added together would have given it a more secure fifth position.

While Levi's lost some momentum at both conventional and upscale discounters, Brittania gained ground in both sectors. Brittania did especially well at upscale discounters where on its own, it would have ranked fifth. Target store managers cited it most often as a leading brand.

The company that would have faired even better when its various brand names were figured together was Wrangler. Added to responses from the Rustler brand (ranked seventh in the survey), it would have been a clear leader in the men's category, garnering responses from four out of 10 managers.

At upscale discounters, the results were even better for Wrangler. Half the upscale discount store managers said Wrangler and Rustler together was a top performer. Wrangler itself lost some ground at conventional discounters. But, it scored higher than last year at upscale discounters, with mentions by one-quarter of that tier's managers.

The second half of the Top 10, in order, include Gitano, Rustler, Brittania, McGregor and Dickies.

Rustler is the newest addition to the list. It ousted Manhattan, which this year was mentioned by less than one out of every 10 store managers.

Dickies continued its downward slide. The brand ranked fourth in 1988, fifth in 1989, and fell to 10th place in the current survey. The brand did hold its own at Wal-Mart where managers placed it ahead of both Brittania and Lee.

McGregor also showed a slight decline from last year. However, the label faired better than Wrangler, Hanes, Gitano and Rustler at Ames, according to survey responses. It also garnered more mentions than Levi's and Gitano at Target stores. Interestingly enough, McGregor was mentioned by two out of 10 store managers in the Northeast, doing better in that region than Levi's, Gitano, Rustler, Dickies and Brittania.

Other regional differences were not as surprising. Fruit of the Loom led in the North Central region, but came in a solid second in the rest of the country. Wrangler led in both the South and the West and was mentioned by three out of 10 store managers in those regions. Rustler made the top five in the South.

Lee was mentioned most often in the Northeast, by four out of every 10 managers.

The survey's Top 10 list, however, is not the end-all list. There were many labels that did not make the comprehensive Top 10, but that individual stores cited as top performers.

The Big Yank brand, for instance, was mentioned by K mart managers more often than Lee, Levi's, Brittania, McGregor and Dickies.

At Wal-Mart, Reed st. James was mentioned more often than Lee, Brittania and Dickies.

At Target Stores, BVD was mentioned more often by that chain's store managers than Levi's and Gitano.

Not surprisingly, brand recognition and product performance were noted by the majority of retailers for their top performers' successes.

On a regional basis, brand recognition was the most cited reason for a label's sell-through in every area except the West.

According to the survey, western region store managers feel advertising is the more important factor contributing to a brand's store performance.

Two of the top brands listed in the survey, Wrangler and Lee, scored high in brand familiarity when it came to attributing reasons for their success, with advertising cited second.

For Fruit of the Loom, however, the results were reversed. Apparently, managers feel advertising gives that label its edge, with brand recognition coming in second.

At K mart, managers noted low prices as the No. 1 reason for the successful brands. Product presentation and brand recognition were cited next, followed by advertising.

At Wal-Mart, name recognition and advertising came before the low prices, with product presentation scoring low. Brand recognition ranked highest at Ames and Target.

Maybelline, Cover Girl Accent Category

Maybelline slipped a few percentage points in *DSN*'s latest Top Brands Survey, but it remained the leading cosmetics brand on discount shelves with Cover Girl, Revlon, Max Factor and L'Oreal following dutifully behind for the seventh year in a row.

Though the placement of the top brands remained constant from last year, their importance has shifted. Both Maybelline and Revlon were mentioned less often than they were last year.

In terms of percentage points, those relinquished by Maybelline and Revlon found their way to Clairol, which increased six percentage points, and Noxell, which increased by four percentage points.

Narrowing the Gap

Though this shift did not change the placement, it did narrow the gap between brands and gave Cover Girl, Max Factor and L'Oreal a larger share of mentions.

Though Maybelline and Cover Girl remained far above the other brands, those ranked third to 10th on the survey had results more evenly distributed, at least at conventional discounters.

At upscale discounters, the top five brands dominated, with those placing fifth and below not garnering as many mentions.

Maybelline maintained its first place status through all retail tiers and in every region. Overall, it was mentioned by six out of 10 store managers as a top brand. K mart, Wal-Mart, Target and Ames' managers all mentioned Maybelline most often as a best performing brand.

In most categories, Cover Girl came in second in a number of mentions. Only Target store managers named Revlon, which was third overall, more often than Cover Girl.

While the overall results matched the performances at conventional discounters, there were slight variations at the upscale discounters polled for this survey. In this tier, Revlon came in second; Cover Girl, third; L'Oreal, fourth; with Max Factor fifth.

There was more room for jockeying further down the roster, especially in individual stores. Noxell held on to sixth place overall, but was fourth at K mart. Sally Hansen, which was fifth at K mart, received more mentions this year than last, was eighth overall, up two notches from the 1989 study.

At Target, only the top five got significant mentions, while the bottom half of the list got only occasional nods.

Wal-Mart pulled no surprises in this category. Its choice of the Top 10 brands remained consistent with overall survey results.

Almay is new on the Top 10 list. It showed a drop in mentions in last year's survey, but rallied for the 1990 results.

Almay ousted Coty from the Top 10 list. Coty went from 10th to 14th place on this year's study.

Also important on this year's survey were the 11th to 14th spots on the list. The percentage points separating this group from the Top 10 are small. Any shift could mean the toppling of a brand from the Top 10. The brands in these spots, in order, are Aziza, Del Laboratories, Cutex and Coty.

For Aziza it has been a roller coaster ride. The brand had been in the Top 10 for a few years, but dropped to 12th last year. In the current survey, it inched up to 11th place, just behind Almay.

Regionally, Maybelline still held on to the lead among "all discounters" conforming easily with the regional results.

Cosmetics: Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	**1990**	**1989**	**1990**	**1989**	**1990**	**1989**
Maybelline	66%	74%	65%	76%	70%	61%
Cover Girl	53	51	54	54	48	36
Revlon	23	35	18	28	51	70
Max Factor	15	11	14	10	17	18
L'Oreal	12	7	11	7	18	6
Noxell	8	4	9	4	3	—
Clairol	8	2	9	2	3	2
Sally Hansen	5	1	6	1	2	1
Clarion	4	3	4	3	4	1
Almay	3	1	3	1	3	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

The most significant differences occurred in the North Central region. Maybelline and Cover Girl tied for first place in this area. Those two leaders were followed in order by: Revlon (26%); Max Factor (15%); L'Oreal (14%); Clairol (11%); and Noxell (10%).

In the West, a change was noticeable further down the chart. L'Oreal managed to edge ahead of Max Factor by five percentage points to place fourth in this region behind Maybelline, Cover Girl and Revlon.

Clairol, which was seventh overall, did better in both the Northeast and North Central regions. It managed to secure fifth place in both areas.

Clairol made one of the biggest jumps in terms of percentage points, increasing its mentions by six points overall. Noxell managed a similar increase in percentage points.

Vendor advertising was the most often mentioned reason contributing to a brand's performance and brand recognition was second.

Because of the nature of the cosmetics industry, it rated high as one of the departments that store managers felt they had significant influence over. Part of that influence, especially in this category, is product placement. Display presentation was the third most important element in a brand's success, according to the respondents.

Individual chains varied in determining other important factors in brand performance. Wal-Mart cited good, low prices as a more important element than product display.

K mart, Target and Ames, on the other hand, said that the display was more vital to the performance than the price.

Regionally, advertising also led the list of performance priorities in the Northeast, South and North Central regions.

In the West, however, one quarter of all those polled said product presentation was more important.

Consistent with Wal-Mart's answers, more store managers in the South, traditional Wal-Mart country, chose good, low prices as a priority.

Cosmetics: Top Brands' Performance by Region

Brand	**Northeast**	**South**	**North Central**	**West**
Maybelline	71%	71%	58%	65%
Cover Girl	30	60	58	48
Revlon	24	21	26	23
Max Factor	12	17	15	10
L'Oreal	7	10	14	15
Noxell	8	7	10	9
Clairol	9	5	11	6
Sally Hansen	1	7	6	3
Clarion	4	—	7	8
Almay	—	1	5	5

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Cosmetics: How Industry's Top 5 Fare at Chains

Brand	**K mart**	**Wal-Mart**	**Ames/Zayre**	**Target**
Maybelline	80%	65%	71%	81%
Cover Girl	60	63	51	53
Revlon	20	23	7	61
Max Factor	15	8	7	14
L'Oreal	11	18	—	19

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

***Even though Maybelline** slipped a few percentage points from last year, the brand still retains its No. 1 spot in the category.*

***Clarion, fared best** in the North Central region where it received 7% of store manager mentions.* (DSN photo)

European Furnishings Market

Free Trade to Provide Minor Lift in 1992

LONDON — The removal of trade barriers in 1992 will provide a minor boost to the home furniture and furnishings market in Europe, according to a report by Frost & Sullivan, the international market research firm.

The report predicts that niche marketing and stronger retailer-supplier relationships will be the major trends after 1992, but the home furnishings industry will have problems harmonizing technological standards, thus delaying full cross-border cooperation.

"Consistent improvement to product design and quality, especially in soft furnishings, household textiles and, perhaps surprisingly, wall coverings, is anticipated due mainly to steady demand for coordinated fashions," said the report. "Lighting and textile floor coverings will probably both struggle to meet their forecast market because of slack demand and tough competition."

West Germany is expected to continue to dominate the market, but Spain will emerge as a relatively strong, but backward growth area with continued protectionist policies, according to Frost & Sullivan.

The report noted that new retail techniques, such as the Gallery selling concept and the IKEA philosophy of discounting self-assembly products through high-volume warehouse-type stores, have proven very effective.

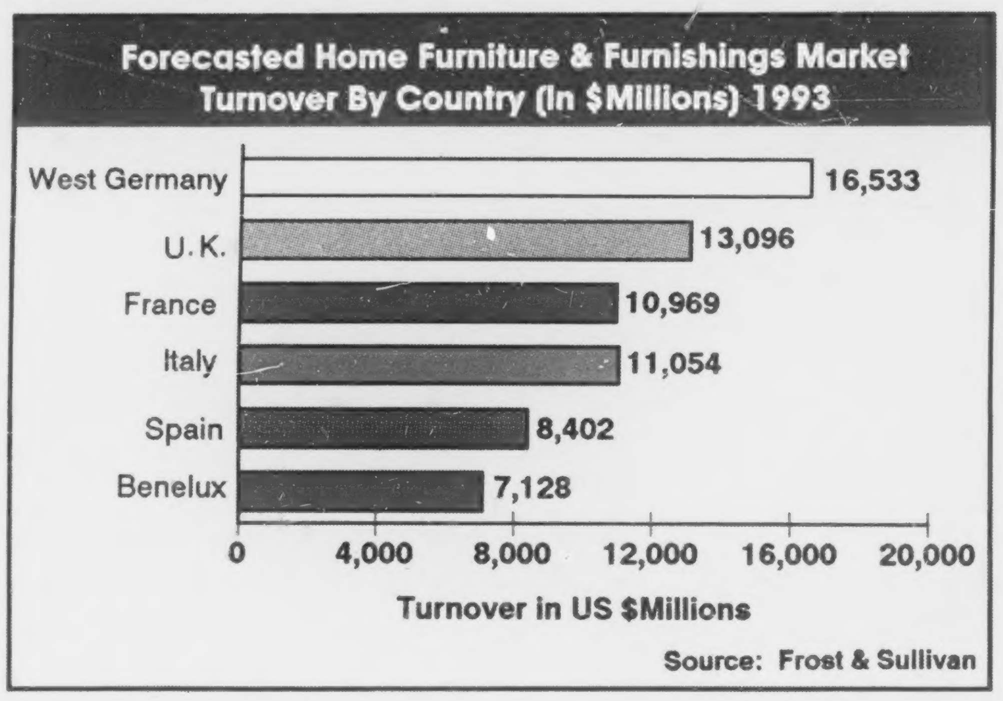
Frost & Sullivan forecast that integrated, strongly-branded operations geared to lifestyles will thrive and increase their market share through 1993, at the expense of traditional retail outlets.

"Based on actual returns for several EEC-member countries, performance through 1989 in most product categories has been relatively flat," said the report. "An analysis of disposable income and household population as the significant variables confirms that they account for a major part of the market trends."

The report projects that the European market will grow from an estimated $52.4 million, at manufacturers selling price, in 1989, to $67.2 million in 1993. That 1993 figure includes:

- $41.7 million for furniture;
- $7 million for floor coverings;
- $7.3 million for household textiles;
- $5 million for soft furnishings;
- $4.1 million for lighting;
- $1.8 million for wall coverings.

The complete report is available at a fee from Frost & Sullivan, 106 Fulton Street, New York, N.Y. 10038.



Source: Frost & Sullivan

IKEA Apologizes for Shortages

PLYMOUTH MEETING, Pa. — Worldwide home furnishings giant IKEA essentially apologized to shoppers of its newest store in Elizabeth, N.J., for prevalent out of stock problems.

Full-page ads in area newspapers read: "You probably already have some of our furnishings, now how about our eternal gratitude?" In small print, IKEA acknowledged that demand at its Elizabeth store greatly exceeded plans, and is currently doubling shipments of merchandise to the store.

The Elizabeth store is IKEA's largest U.S. location and brings the total number of stores worldwide to 86. The firm just finished the mailing of its 1991 catalog.

Execs Change At Conran's

NEW YORK — Conran's Habitat reported another major change in its U.S. executives. Martin A. Burke was named executive vp, coo of Conran's Habitat, USA. Michael Harvey, who is currently chairman and ceo of the London-based Habitat Group will also serve as president of U.S. operations. Burke joins Conran's Habitat from R.H. Macy's Inc. Northeast Division.

Paul Marshall Buys Assets of Ceramic Firm

LOS ANGELES — Paul Marshall Products, a marketer and sourcing company in the wicker baskets, bath and dinnerware/accessories categories, purchased virtually all the assets of Vee Jackson Ceramics, a California firm that designs, manufactures and sells ceramic bath accessories.

Paul Marshall president and ceo John Tefft said the acquisition enhances the company's importance those in the housewares/bath category.

"Vee Jackson Ceramics makes an array of bath products that are made and hand painted in Southern California," added Ralph Becker, vp, marketing and sales. "They are beautiful in terms of shapes and designs and their quality of hand-painting and glazing are outstanding. These products are positioned at a slightly higher retail and perceived value than our current imported bath ceramic/woven sets. This, combined with their domestic production, makes a great addition to the new Paul Marshall Products."

Beacon Hosts Weaver's Show

SWANNANOA, N.C. — Beacon, the blanket and bedspread manufacturer based here, sponsored the third Beacon Hand-Loom Weaving Show and Exhibit in nearby Asheville, N.C.

The show is now a major part of the regional Bele Chere Festival, which is now in its 12th year. "The exhibit was a natural sponsorship for us due to our company's manufacture of machine loom-woven blankets," said Beacon senior vice president John Hill. "The rapport that has grown between the hand-loom weavers and the people of Beacon has been positive and beneficial for both parties. Until Beacon sponsored this show, we had no idea of the number of hand-loom weavers and the wealth of talent that could be found throughout western North Carolina." The theme for this year was "Design Possibilities," and cash prizes were awarded in several categories, including clothing, accessories, interiors and art pieces.

BiF to Open N.Y. Showroom

NEW YORK — IKEA and other metro area furniture retailers may face significant competition in BiF Korea, which will open a 55,000-square-foot showroom at 32nd Street and Fifth Avenue in Manhattan. The showroom, expected to be open by year-end, will occupy 11 floors and will cost over $3 million in renovation costs.

The firm's founder, Sang-Sik Wee, intends to become "the Toyota of furniture" through a combination of manufacturing, exporting and retailing on three continents. BiF entered the American market in 1981 with several West Coast showrooms, and is ready to take on the East. Like IKEA, BiF manufactures fashion furniture en masse, then exports it to outlets worldwide. Sales last year were $167 million; the firm projects sales of $190 million for fiscal 1990. BiF plans to open a factory in California in 1991.

Berlin Named As Aberdeen Vice President

NEW YORK — Aberdeen Manufacturing Corp., a division of CHF Industries, has named Hal Berlin vp of sales, curtain division. The industry veteran joins Aberdeen from Arley Merchandise Corp., where he was national sales manager, Coastal division. Prior to that, he spent nine years with the Home Curtain Corp. Berlin will report to Steve Cohen, senior vp.

Furnitureland South Opens

HIGH POINT, N.C.— The largest furniture store in the United States is slated to open here Oct. 1. The 228,000-square-foot store called, Furnitureland South, will feature over 25 galleries, each featuring a specific manufacturer, style and product category. The firm's only other store, a 78,000-square-foot store on South Main Street in High Point is being converted into a clearance center for the larger location. The store will also house a design center equipped with 350 vendor catalogs and 50 tables where shoppers can talk with staff designers. The company's founder and president, Darrell Harris anticipates sales to reach $30 million this year and to exceed $50 million by 1995. The company vp and secretary is his wife, Stella. The company operates its own fleet of 12 tractors and 20 trailers that deliver furniture to customers' homes within the continental United States.

Corporate Headquarters

***It's a Family Affair at Furnitureland:** (From left) Darrell Harris, president, Jeff Harris, Stella Harris, vice president and Jason Harris.*

Two Thomson Brands Rise to Top in CE

Thomson Consumer Electronics scored an exacta in this year's *DSN* Top Brands Survey with its two brands, GE and RCA, finishing in a photo finish as the best performing brands in CE departments.

GE, which has slugged it out with Emerson as top performing brand for the past five years, was named by nearly one of three store managers, with RCA just a shade off the mark. Emerson, the most often named brand for three out of the last four years, sank to third place, just a whisker behind RCA.

It was the performance of RCA that really stood out in the results. Last year, the brand finished a rather distant fifth, with only one out of 10 managers naming the brand. In one year, RCA nearly tripled its percentage of mentions, a virtually unheard-of increase in any category.

Emerson actually increased its percentage of mentions, but still fell two places. Panasonic, fourth this year, more than doubled its rate of mentions, from roughly one in 10 to over two in 10. Magnavox, too, doubled its rate of mentions. Sony, Sanyo, Nintendo, and Soundesign all recorded gains as well.

GE owed its top rating to conventional discounters, because its rating with upscale discounters declined sharply, down from nearly one out of three managers a year ago to one out of six this year. RCA, on the other hand, blossomed at upscale stores, with four out of 10 managers naming the brand, easily the best performance by any measure of any CE brand.

Emerson, too, saw its recognition factor rise at upscale discounters, with its mention rate doubling to roughly one out of three managers. Magnavox also cleaned up among upscale discounters, with one in four mentioning the brand. Last year, that figure was well under one in 10. Panasonic picked up support at both types of outlets.

While RCA made gains among upscale outlets, the brand also did well among conventional discounters, rising from about 10% a year ago to over one in four mentions.

Overshadowed by the gains made by the Thomson entry, Sanyo jumped onto the chart, with one in eight managers citing the brand. After just missing the Top 10 list last year, Sanyo finished a solid seventh in the 1990 results.

After two successful years, Sharp slipped to 11th place, just behind GoldStar. The brand was heavily favored by K mart managers, but was barely mentioned by Wal-Mart and Ames managers. Sharp also performed well at upscale discounters, with just slightly less than one mention in 10.

Other key brands that just barely missed the chart were Zenith, Samsung, AT&T, Pioneer (thanks to strong support at Wal-Mart), Grand Prix and Smith Corona.

Overall, brand presence at all discounters increased sharply. Last year, only two brands scored over 15% of responses; this year, that number rose to six.

Regionally, most brands performed fairly evenly throughout the United States with only a couple of exceptions. Emerson was easily the most popular brand in Southern states, with four of 10 Southern managers naming the brand. That contrasted with roughly two of 10 naming Emerson in other regions.

GoldStar showed dramatic fluctuations nationwide, with nearly two of 10 West Coast managers naming the brand as a top performer, while only one in 20 managers in the Northeast and the South named GoldStar.

Sanyo, too, fared poorly in the Northeast, but did very well in the South, and also on the West Coast.

Magnavox was a favorite in the North Central region, with nearly one in three managers there mentioning the brand. Sony also scored in that region, and the West Coast as well.

By outlet, Wal-Mart managers overwhelmingly named Emerson as their best performing brand (echoing the brand's strong performance in the South), followed by RCA and Panasonic. GE and Magnavox were not in favor at Wal-Mart, where Sony and Sanyo did much better.

GE turned in its strongest performance at K mart, where one-half of the chain's managers named the brand. RCA was right behind, followed by Panasonic. Emerson fared poorly, but Nintendo, GoldStar and Sharp all owed much of their success to support from K mart.

Ames managers' responses were, on the whole, much more diffuse than were other chains. GE was in favor, and Soundesign finished a strong second, with one in three Ames managers citing the brand. Samsung and Panasonic (Nos. 3 and 4) also performed better at Ames than at other discounters. Otherwise, Ames managers seemed to split their votes among more brands than did other discounters.

Target, predictably, showed a strong preference for perceived "upscale" brands. Only one in 10 Target managers named GE, but over four in 10 named RCA. Emerson (surprisingly) also scored better than four of 10 at Target.

Other strong brands at Target included Sony, Panasonic, and Magnavox. As was the case with Ames, very few other brands received significant support.

In justifying their selections, managers had clear perceptions of what accounted for the success of at least two brands, GE and Emerson. GE was favored for its advertising (nearly half of managers who named GE as a top performer also mentioned its advertising clout) and its strong brand recognition. Emerson scored on price (nearly two-thirds of managers cited Emerson's low prices) and to a lesser extent, its brand recognition.

Panasonic and Sony were preferred for their performance (as was Sharp) and extensive advertising. Sony was also cited for its brand recognition, while Panasonic received very high marks for its extensive line, but relatively low ones for brand recognition.

Sharp, in addition to product performance, was recognized for low prices and fitting in with the latest trends.

Polaroid
SMITH CORONA
SOUNDESIGN
Nintendo

***RCA, one of two labels** from Thomson Consumer Electronics, nearly tripled its percentage of manager mentions, moving from fifth to a virtual first-place tie in this year's survey.* (DSN photo)

Consumer Electronics: Top Brands Vary by Type of Outlet

Brand	All Discounters		Conventional Discounters		Upscale Discounters	
	1990	1989	1990	1989	1990	1989
General Electric	29%	23%	32%	22%	14%	27%
RCA	29	11	27	10	41	15
Emerson	28	27	27	29	31	15
Panasonic	23	13	22	13	28	13
Magnavox	20	10	19	10	25	7
Sony	18	13	16	10	32	27
Sanyo	12	6	13	6	7	5
Nintendo	10	8	11	9	6	5
Soundesign	9	7	11	8	—	—
GoldStar	9	9	10	9	4	8

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Consumer Electronics
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
General Electric	49%	23%	39%	11%
RCA	40	43	20	44
Emerson	13	60	15	42
Panasonic	26	28	22	28
Magnavox	16	13	12	25

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Consumer Electronics
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
General Electric	26%	25%	34%	31%
RCA	25	29	32	27
Emerson	26	40	19	17
Panasonic	26	19	30	15
Magnavox	15	11	31	21
Sony	9	18	21	21
Sanyo	3	17	10	12
Nintendo	8	9	10	17
Soundesign	5	11	10	10
GoldStar	5	4	12	19

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Recognition, Not Price, Shapes Brand Popularity

No wonder the housewares retailer is trading up to better-quality goods: the latest *DSN* Top Brands survey indicates that discount store managers feel price plays a fairly small role in the success of top performing housewares brands, even among commodity items that can easily be compared on price among various discounters.

In the survey, discount store managers divulged the brands in the housewares department that were their top performers and why they had selected these items. With few exceptions, brand recognition was the most important attribute of a top performing brand, followed by product performance, then advertising and finally price.

These numbers are especially surprising when one considers the fact that the top performers—Rubbermaid, Corelle, Corning, Visions and others—can be found at virtually every discounter in the country—and would therefore be very price-competitive.

The top five brands changed very little since last year, other than the fact that the big got bigger in the eyes of discount store managers.

Rubbermaid remained the top performer in the housewares department according to store managers, a position held by the supplier since *DSN* began conducting the survey in 1986. Despite the increasing popularity of rival brands like Tucker and Sterilite, Rubbermaid's percent of total mentions by discount store managers has climbed since 1988.

The five percentage point increase to 59% by Rubbermaid this year showed the improved standing of Sterilite did not impact Rubbermaid at all. Sterilite appeared on the most-mentioned roster, with 7% of total mentions this year, but was not among the Top 10 a year ago.

Corning's Corelle brand jumped by almost 10 percentage points, most likely fueled by recent additions to dinnerware designs and, more importantly, brand recognition. Six out of 10 store managers said the Corelle name made it a top performer. When Corning's various divisions are added together, however, Corning is not far behind Rubbermaid in terms of its performance standing, while all other brands trail these top two labels by a significant margin.

Corning, Corelle, Visions and Pyrex were jointly mentioned by five out of 10 discount store managers as top brands.

Nearly twice as many discount store managers mentioned Black & Decker this year than last. 1990 also marks the first year that General Electric, the former owner of B&D's household appliance division, did not appear on the Top 10 list.

A similar shift may have happened between the brand name Silverstone and Mirro. While Mirro has been one discount store supplier to apply the DuPont Silverstone coating to its cookware products, Mirro itself had not appeared on the top 10 list. This is the first year where the cookware brand has been considered a better performer than the non-stick coating it uses.

While Rubbermaid's brand name also contributed to its standing at store level, advertising was the single most frequently cited reason for performance excellence. Four out of 10 mentioned advertising, compared with three out of 10 for both product performance and brand recognition.

Price was considered the most important reason for Rubbermaid and Corelle performance by one out of 10 store managers.

Price was generally more of a factor when it came to other products within the housewares department. Two out of 10 said low price was a factor in determining which brands are the housewares leaders.

In certain instances, individual chains did much to contribute to the standing of individual brands. In the case of Wal-Mart, three-fourths of its store managers said Rubbermaid was a top performing brand, while at K mart, less than one-half mentioned Rubbermaid as among their top performers.

Sterilite's performance rating was boosted by frequent mentions from Target and other upscale discount chains, such as Caldor and Venture. Likewise, Mr. Coffee also scored high among the upscale discounters.

In contrast, Corelle and Corning were top performers at conventional discount chains such as K mart, Wal-Mart and Ames. Mirro and Pyrex brand names were also strong among this group.

Store managers said that the housewares department was one of the categories where they had the most influence to alter the assortment for their customer base. While about 6% overall said they could make some decisions to impact the assortment, store managers at Ames and Target believed they had the most sway. Over 10% of managers from these chains felt they could influence the housewares mix in their stores.

Brands not on the Top 10 this year included Ekco, which met much competition in both gadgets and cookware during the past year, and Tucker plastics, which also missed the Top 10, but was among the top 16 brands.

Housewares: Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	**1990**	**1989**	**1990**	**1989**	**1990**	**1989**
Rubbermaid	59%	54%	58%	56%	63%	41%
Corelle	24	15	26	16	12	13
Black & Decker	14	9	15	9	12	18
Corning	14	10	15	9	11	10
Visions	8	9	9	9	3	5
Sterilite	7	—	7	—	10	—
Proctor-Silex	6	3	6	4	9	1
Mirro	6	—	7	—	2	—
Pyrex	5	—	6	—	1	—
Mr. Coffee	5	—	3	—	11	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Housewares
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Rubbermaid	46%	75%	73%	67%
Corelle	36	25	37	17
Black & Decker	20	13	5	8
Corning	22	10	22	11
Visions	11	13	5	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Housewares
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Rubbermaid	54%	59%	59%	62%
Corelle	13	29	27	16
Black & Decker	12	10	20	12
Corning	18	14	14	12
Visions	3	13	5	11
Sterilite	4	5	10	8
Proctor-Silex	6	3	10	6
Mirro	—	4	10	8
Pyrex	—	3	7	9
Mr. Coffee	—	2	8	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

When added together, *Corning's divisions, such as Corelle (above) and Visions (below) received almost as many mentions from store managers as did Rubbermaid, the category's top performer.* (DSN photos)

Cannon Repeats as Top Brand Performer

Like Kodak in photo, Cannon was an easy repeater as the most often cited top performing brand in the domestics department, as judged by discount store managers. The brand has never been challenged in the five-year history of *DSN's* annual Top Brands Survey.

However, several other brands seem to have increased their standings with discount store managers as well, most notably Pepperell, J.P. Stevens and Cannon's sister company, St. Mary's.

Cannon was, as usual, dominant, with over half of discount store managers citing the brand as a top performer. That percentage has held steady, within two or three percentage points, for four years, although there was a clear increase this year.

Pepperell and Stevens, despite strong growth, were named only by one in five (Pepperell) and one in six (Stevens) managers.

No other brand was mentioned by as many as one in 10 managers, a trend that has held true for several years.

Cannon was most strongly favored at Wal-Mart, where more than four out of every five managers cited the brand as a top performer. Approximately two-thirds of K mart managers also mentioned Cannon. Martha Stewart, K mart's private label, drew mentions from about one in six K mart managers. Ames and Target managers were relatively lukewarm on the brand, with slightly more than half not mentioning Cannon.

Pepperell's strength was also concentrated at Wal-Mart, where three of 10 managers named the brand a top performer. Upscale discounters, with roughly a quarter of store manager responses, cited Pepperell as a top performing brand in the domestics department.

J.P. Stevens performed strongly at K mart (No. 2), perhaps due to its strong Martha Stewart presence. Ames managers also favored Stevens as a top performer (No. 3). In both cases, about one-fourth of the managers surveyed mentioned the brand as a top performer in domestics. Stevens may have lost ground due to the 10th place showing by Taste Maker, also a Stevens label.

St. Mary's fared well at both Ames and Target but failed to receive any mentions by Wal-Mart managers. K mart store managers gave St. Mary's only a token mention. About one-third of Ames managers and about one in five of Target managers mentioned St. Mary's as a top performing domestics brand. Fewer than one in 10 K mart managers mentioned it as among their top performers.

Lady Pepperell

***Brands with** increased mentions among discounters were Pepperell, J.P. Steven's and St. Mary's.*

Domestics: Top Brands Vary by Type of Outlet

Brand	All Discounters 1990	All Discounters 1989	Conventional Discounters 1990	Conventional Discounters 1989	Upscale Discounters 1990	Upscale Discounters 1989
Cannon	57%	54%	61%	59%	35%	30%
Pepperell/Lady Pepperell/ Westpoint	17	12	15	11	24	19
J.P. Stevens	15	11	16	12	12	9
St. Mary's	8	11	6	12	20	18
Fieldcrest	6	2	5	2	10	2
Springs/Spring Mills	5	6	4	6	10	6
Martha Stewart	4	3	5	—	—	—
Dan River	3	3	3	2	5	5
Santa Cruz	3	—	3	—	3	—
Taste Maker	3	—	2	—	5	—

Source: Discount Store News/Leo J. Shapiro & Assoc.

Domestics: How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Cannon	62%	83%	49%	44%
Pepperell/Lady Pepperell/ Westpoint	18	30	12	22
J.P. Stevens	27	15	22	11
St. Mary's	6	—	29	17
Fieldcrest	7	5	17	11

Source: Discount Store News/Leo J. Shapiro & Assoc.

Domestics: Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Cannon	39%	70%	58%	41%
Pepperell/ Lady Pepperell/ Westpoint	17	23	12	12
J.P. Stevens	12	14	19	11
St. Mary's	8	4	13	10
Fieldcrest	12	6	5	5
Springs/ Spring Mills	10	3	7	2
Martha Stewart	—	1	7	9
Dan River	4	4	2	3
Santa Cruz	—	2	6	—
Taste Maker	—	3	5	—

Source: Discount Store News/Leo J. Shapiro & Assoc.

hollander pillow
cannon
j.p. stevens
VALUE!

***Cannon was named a top performing brand** by four of five of Wal-Mart store managers and by two-thirds of K mart managers.* (DSN photos)

Fieldcrest, Cannon's upstairs counterpart, finished in fifth place overall, with support limited mainly to Ames and Target, chains that theoretically don't have access to the brand.

No. 6 Springs benefited from the unlikely tandem of Ames and Target too, with no mentions from Wal-Mart and only a handful from K mart. Upscale discounters as a whole seemed to favor the brand, with one of 10 managers calling Springs a top performing domestics brand.

Martha Stewart, obviously, owed all of its support to K mart. Almost two in 10 store managers named the Martha Stewart label a top performer, enough place to it in the seventh spot.

Dan River placed eighth, mainly due to "other" conventional discounters, mostly small regionals preferred by the upscale vendor. The brand was barely mentioned by the big four, despite a formerly strong presence in old Zayre stores that are now a part of Ames.

Santa Cruz owed its ninth place finish solely to K mart, receiving one in 10 responses. No. 10 Taste Maker, likewise, received nearly all of its mentions from the Troy, Mich.-based retailer.

Other brands mentioned as top performers in domestics this year included Burlington, Beacon, Kenney, Dundee, Newell, Martex, Graber, Regal and Hygiene. Bibb, strangely, didn't receive a single mention, despite the runaway success of its licensed juvenile patterns like Batman and Teenage Mutant Ninja Turtles. Similarly, major players like Pacific and Home Innovations were not mentioned.

Regionally, Cannon was a major hit in the South, where nearly seven of 10 managers mentioned the brand as a top performer. It was weakest in the West, where only four of 10 mentioned Cannon.

Pepperell was most strongly favored by retailers in the South and Northeast, while Stevens found favor (about two mentions in 10) among North Central region store managers.

Otherwise, there was very little variance in brand performance from region to region this year, the same results as in previous surveys.

Cannon remained the dominant force in all four regions followed by Pepperell except in the North Central region where Pepperell and No. 3 Stevens exchanged positions. Fieldcrest virtually tied Stevens for third in the Northeast and leaped over St. Mary's in the South. St. Mary's fell to No. 6 in the Northeast behind Springs.

While Cannon's strength was mainly confined to conventional discounters, it has evidently started to make inroads among upscale discounters as well. Overall, its percentage of mentions rose three percentage points, mainly due to a five percentage point increase at upscale discounters.

The other two major gainers, Pepperell and Stevens, each duplicated that pattern, showing increases across the board, with special emphasis on upscale retailers.

About two-thirds of store managers thought that they would see an increase in sales in their domestics departments in the coming year; only about one in seven felt that sales would decline or hold even.

And about six of 10 managers said that they had not seen growth of national brands in the past year.

Advertising Heightens as Top Brand Attribute

Personal Care Appliances: Top Brands Vary by Type of Outlet

Brand	All Discounters 1990	All Discounters 1989	Conventional Discounters 1990	Conventional Discounters 1989	Upscale Discounters 1990	Upscale Discounters 1989
Conair	42%	46%	42%	44%	42%	54%
Norelco	24	12	24	12	24	10
Remington	23	13	23	12	25	15
Clairol	16	16	15	14	21	24
Vidal Sassoon	15	15	11	13	35	29
Windmere	14	14	14	16	13	2
Jerri Redding	10	5	11	6	—	—
Black & Decker	6	9	6	10	6	—
Sunbeam	6	—	10	—	3	—
Braun	4	—	4	—	6	—

Source: Discount Store News/Leo J. Shapiro & Assoc.

The long-standing emphasis on good, low-priced products in the personal care appliance category seems to be abating.

In *DSN's* 1990 Top Brands Survey, store managers still report that price is the most important attribute of a personal care appliance brand, but not with the same degree of emphasis as in previous years.

The current survey revealed that advertising, product performance and brand recognition have become more important contributors to a brand's success. This year, price just edged out advertising as the No. 1 attribute, followed closely by product performance and brand recognition which were tied as the third key attributes.

Price wasn't always the No. 1 consideration. When specific brands on the Top 10 list were evaluated individually, price often took a back seat to the other three attributes.

For Remington and Vidal Sassoon-brand personal care appliance products, price was not even mentioned as an attribute, and for Clairol products price was a low priority. Price was a major attribute for No. 1 Conair and No. 6 Windmere, however.

Price was an issue for over half the managers who named Conair a best performer. Product performance was second with one-third of the responses followed by brand recognition. Advertising was fifth behind product presentation.

Perhaps this unique combination of attributes keeps Conair at the top of the brand list, now for the fifth consecutive year.

Despite Conair's success in this category, its hold on the No. 1 spot has been weakening for the past four years.

This year, four in 10 store managers named Conair a top performing brand, down four percentage points from 1989 and off 14 percentage points from 1986. In addition, the margin separating Conair from the No. 2 brand, this year Norelco, has narrowed. A year ago, Conair led No. 2 Clairol by a 3-to-1 ratio. This year, Conair outpaced the No. 2 Norelco by a less than 2-to-1 rate.

Norelco showed great strength this year, doubling its number of manager mentions from its 1989 level. Norelco was sixth on the top brands list last year.

Similarly, Remington rose from 2% of mentions in 1987 to nearly one-quarter of managers this year, moved up two notches this year to the No. 3 spot on the list.

Clairol, at No. 4, maintained the same level of mentions this year—16%—but fell from the No. 2 spot. Other personal care appliance brands probably attracted the attention of a larger group of store managers than the previous year.

Vidal Sassoon, in the No. 5 spot this year, dropped from second on the 1989 list but received the same level of mentions from store managers. The brand's best showing was at Target where four in 10 managers named it a top performer.

Among upscalers in general, Vidal Sassoon was named by more than one-third of the respondents, triple the number of mentions it received from conventional discount store managers. Conventional discounters did not mention Vidal Sassoon as often as they did a year ago.

Personal Care Appliances
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Conair	67%	43%	29%	31%
Norelco	22	31	12	33
Remington	29	30	2	31
Clairol	11	13	7	2
Vidal Sassoon	2	10	24	42

Source: Discount Store News/Leo J. Shapiro & Assoc.

Personal Care Appliances
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Conair	53%	40%	39%	46%
Norelco	10	21	32	25
Remington	24	21	30	14
Clairol	8	12	21	20
Vidal Sassoon	7	12	18	19
Windmere	13	16	12	14
Jerri Redding	4	8	15	6
Black & Decker	7	7	2	10
Sunbeam	1	6	7	6
Braun	—	1	9	6

Source: Discount Store News/Leo J. Shapiro & Assoc.

The reason for Vidal Sassoon's success among upscalers appears to boil down to price. None of the store managers surveyed said price was a reason Vidal Sassoon performed well. Upscale discounters by their nature sell higher priced goods than conventional chains and are therefore more likely to choose a brand that sacrifices price in favor of aggressive advertising. Advertising was said to be more of a driving factor for Vidal Sassoon's performance than with any other brand.

Close behind Vidal Sassoon was Windmere, down from fourth a year ago, but with the same number of manager mentions. Behind Windmere was Jerri Redding, up two spots from 1989 and with more mentions.

Black & Decker fell one spot to seventh, with a small mention decline.

New to the top 10 list this year are Sunbeam, which tied Black & Decker for eighth place, and Braun (No. 10).

Gone from the Top 10 list this year are Epilady, which held the No. 10 spot a year ago, and General Electric, which was tied with Jerri Redding for eighth.

GE fell to 11th, the first time it didn't make the Top 10. GE no longer produces personal care appliances under its label.

Personal care appliances was among the categories store managers said they had the least sway over in terms of their ability to tailor the assortment to their individual market demands.

Subtle changes took place among the leading four discounters in terms of the brands they named.

Conair was mentioned less often by three of the top four discounters; K mart was the only chain whose managers mentioned Conair as often this year as last. Roughly 10% fewer store managers from Wal-Mart, Ames and Target named Conair a top performer.

In contrast, Remington was mentioned dramatically more by each of the top four chains except Ames. Over 10% more store managers at K mart, Wal-Mart and Target said Remington was a top performer than last year.

Conair and Norelco did not make a clean sweep of the top two positions at the chains.

In fact, Conair was tied for third at Target with Remington behind Vidal Sassoon and Norelco. Clairol was in fifth.

While K mart managers gave Conair its most convincing support, with nearly seven out of 10 mentioning Conair as a top performing brand, the No. 2 spot went to Jerri Redding, with nearly four out of 10 mentions. Remington was third at K mart followed by Norelco and Clairol.

At Ames, Conair was followed by Vidal Sassoon in the No. 2 spot. In third was Windmere. Norelco tied with Black & Decker for fourth.

Conair was the No. 1 performer at Wal-Mart, according to store manager responses, and Norelco tied with Remington for the No. 2 spot. Clairol was a distant fourth followed by Vidal Sassoon.

Regionally, Conair declined somewhat in all four regions. Second-ranked Norelco more than doubled its number of mentions everywhere except in the Northeast.

Inversely, Vidal Sassoon gained primarily in the Northeast with subtle declines elsewhere in the country.

In the Northeast, after the top two brands no other labels received enough mentions to warrant further examination.

The opposite was true in the South, where brand variety appears to be important.

Among Southern managers, Conair led the list of top performers followed by Norelco with almost half as many mentions. Remington was close behind in third followed by Windmere. Clairol and Vidal Sassoon tied for fifth.

Manager responses in the North Central states ranked the top performing brands much like the "all discounter" list except that in the No. 5 position was Jerri Redding, not Windmere. Windmere placed sixth among managers from the North Central region.

Conair led the top brands list in the West, and Norelco was the No. 2 brand. In third was Clairol and Vidal Sassoon in a tie, followed by Windmere.

O STYLE 1250

Vidal Sassoon, Clairol and Windmere maintained the same level of manager mentions this year, but slipped in the standings. (DSN photo)

Kodak Dominates, But Canon Develops Appeal

Photo, Camera
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Kodak	87%	72%	88%	58%
Canon	35	38	7	50
Polaroid	20	28	27	28
Minolta	22	25	—	33
Fuji	22	3	2	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Kodak, as in every year of this survey, held onto its No. 1 ranking among discount store managers, but declined slightly while every other brand on the top 10 with the exception of Polaroid improved over last year.

The most dramatic rises in *DSN*'s 1990 Top Brands Survey in photo and camera came from Canon, which leaped from No. 3 to No. 2, and Fuji, which nearly tripled its rate of mentions over last year, while holding steady at No. 5.

Nevertheless, Kodak's lead over competing and non-competing photo brands is gigantic.

Over three-quarters of store managers named Kodak a top performing brand, compared to under one-third who cited Canon and about one-quarter who named Polaroid.

Roughly one manager in five named No. 4 Minolta, which has had major success with its Maxxum and other autofocus cameras, and No. 5 Fuji scored about one mention in 10. Rounding out the rest of the Top 10 were Pentax, Scotch/3M, Nikon, Vivitar and Olympus, with only Vivitar and Olympus new to the chart, replacing Emerson and Duracell.

Kodak's support was strong across the board, but slightly stronger at K mart and Ames than elsewhere (nearly nine of 10 managers at those chains mentioned Kodak).

There was a clear difference between conventional and upscale discounters; conventional discount store managers mentioned Kodak in about four out of five interviews, vs. about three out of five in upscale interviews.

Canon, on the other hand, owed its success in large part to two retailers, Wal-Mart and Target. Roughly four of five Wal-Mart managers mentioned the brand, and exactly one-half of Target managers did so. Both chains feature manned, upscale photo departments, which may partly explain the brand's rising popularity with managers.

Polaroid's performance was pretty even across all classes of discounters, mentioned between 20% and 30% of the time. With the exception of fairly strong support at Target, Minolta was similarly consistent.

Fuji came back strong after a severe dropoff last year, possibly attributable to Wal-Mart dropping the brand in a "Buy American" frenzy. This year, even before reentering Wal-Mart shelves, the brand received mentions from about 3% of Wal-Mart managers, rather impressive for a brand that wasn't being sold at the time of the survey. (However, the chain had already decided to return Fuji products to its photo departments, and Wal-Mart had reportedly continued to use Fuji minilabs and supplies in some of its stores, which may in part explain the brand's showing.)

Fuji also received almost no support from Ames managers, again because the chain did not stock the brand at the time of the survey, a situation that has since reportedly changed.

That leaves two major chains, and Fuji made significant inroads at one of them, K mart, where nearly one in four managers cited the brand as a top performer. Upscale discounters as a whole (but excluding Target) also reported top performance by Fuji.

Pentax owed its success almost exclusively to K mart and Target, where roughly one in five managers cited the brand, while Scotch/3M can thank Wal-Mart managers for its ranking.

The ranking of photo brands varied considerably across the country. Kodak, for instance, was relatively more popular in the Northeast and in the West than in the South and North Central regions. Canon, on the other hand, was just the opposite, scoring better with Southern and North Central region store managers.

Fuji, as usual, had the widest variance by region. The brand was virtually nonexistant among Northeastern and Southern store managers, but roughly one in five managers in other regions cited the brand as a top performer. The company has had a history of success in the West, but its national presence among consumers seems to indicate that Wal-Mart's refusal to sell the brand over the past two or three years has hurt it in the South.

Polaroid was most popular among managers in its home Northeastern region, and dipped slightly in the West. Minolta had almost no Northeastern presence, but showed well in the other three regions, with about one in five store managers in those areas mentioning the brand.

Pentax was strong in the West, while Scotch/3M showed well in the South.

Overall, managers felt strongly that they would see sales increases in the coming year in their photo departments. However, on the whole, they forecast modest (under 10 percent) increases, not surprising for a "mature" product category.

What constitutes a top performing photo brand in the mind of a store manager? According to their responses, advertising, whether by the manufacturer or in retail circulars, was the most important factor. With the exceptions of Ames and Target, roughly four of ten managers named advertising as a key component for success.

Only one of five Ames managers named advertising, while less than one of three Target managers did the same.

Brand recognition was nearly as strong a component, the managers said. At Wal-Mart and Target, though, brand recognition was the most important variable, with two-thirds of each chain's managers citing brand presence.

Smaller chains, while emphasizing advertising and brand recognition, seemed to be more concerned than larger chains with product performance.

Except at Target and (of course) Wal-Mart, low prices seemed to be relatively unimportant. While discount store managers as a whole are extremely price-conscious, photo (except in high-end cameras) is not a particularly competitive product area at retail. Film costs pretty much the same from mass outlet to mass outlet, and entry-level cameras are also fairly consistent from store to store.

***While Kodak** displayed across-the-board strength with store managers, Canon fared particularly well at K mart and Target, two chains that feature upscale photo departments.* (DSN photo)

Photo, Camera: Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	1990	1989	1990	1989	1990	1989
Kodak	77%	79%	79%	83%	63%	60%
Canon	28	17	25	15	43	29
Polaroid	23	24	22	27	24	11
Minolta	19	13	19	11	23	24
Fuji	11	5	12	5	6	4
Pentax	7	3	6	3	12	4
Scotch/3M	5	1	6	2	—	1
Nikon	5	2	3	2	12	4
Vivitar	4	—	4	—	4	4
Olympus	3	—	3	—	5	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Photo, Camera:
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Kodak	80%	73%	76%	84%
Canon	23	29	32	20
Polaroid	29	23	23	14
Minolta	5	18	25	23
Fuji	4	2	19	20
Pentax	4	4	9	14
Scotch/3M	5	9	3	—
Nikon	8	3	8	—
Vivitar	5	2	7	—
Olympus	—	1	6	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Tide Whitewashes Competition to Remain No. 1

For the fifth consecutive year, Tide laundry detergent was the No. 1 brand in the household cleaner and chemical category, turning in its best performance ever.

DSN's 1990 Top Brands Survey found Tide the top performing brand in household cleaners by a 2-to-1 margin over the second most often mentioned brand, Clorox.

In fact, Tide's dominance in the cleaners category was so sweeping it took top honors in every breakout: at both conventional and upscale discounters; in all four regions; and at the nation's Big Four discount chains. Store managers also named Tide as a top performer more often this year than in any year since the survey started.

In all, Tide was named a top performing brand by more than half (54%) the managers surveyed, compared with one-quarter (26%) who mentioned Clorox. Tide bettered its performance this year by 13 percentage points.

Clorox remained in second place even though one percentage point was shaved from its results this year. However, the brand is firmly in second place and with a greater lead over the No. 3 finisher, this year, Procter & Gamble, a corporation name that garnered many mentions as a brand as well.

Household Cleaners
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Tide	46%	68%	49%	72%
Clorox	22	38	22	28
Windex	16	10	10	19
Procter & Gamble	6	23	22	14
Purex	22	29	2	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Tide's most convincing lead was recorded at upscale discounters, with six out of 10 responses, and at Wal-Mart and Target, seven out of 10.

The laundry detergent brand lost some first place dominance at Ames, but No. 2 Clorox also received fewer mentions. Therefore, Tide actually widened its margin over Ames' second-place finisher.

The balance of the Top 10 list resembles that of 1989 and includes three new labels: Purex (No. 5), Cheer (No. 8) and Fantastic (No. 9).

These three brands replaced Dow, which fell from fifth to 12th; Lever Brothers, which fell from sixth to 34th; and Johnson, which fell from seventh to a 25th place tie with Arm & Hammer.

Lever Brothers makes the popular Wisk detergent (No. 17). And Johnson, (actually not a brand by itself), produces Johnson Wax and Pledge.

This year, as in previous surveys, the Top 10 list features brands that are very closely ranked and slightly reshuffled from a year ago.

For example, both Windex and Procter & Gamble tied for the No. 3 position on the 1989 survey. Last year, Windex was No. 4 with more mentions.

Procter & Gamble—which doesn't manufacture anything under the P&G label but is the maker of Tide and Dawn (No.6), among many other products—was in third place last year, also with more mentions than it got on the current survey.

Rounding out the Top 10 list are Dawn, Lysol and Cheer in a three-way tie for sixth, and Fantastic and Formula 409, tied for ninth.

Despite Tide's dominance as a top performing brand, store managers named more household cleaners and chemicals top performers than they did in most other categories in the survey. In fact, each manager, on average, named 2.5 cleaner brands as top performers this year, more than any other department excep consumer electronics, an food, candy and snacks whic received the same results.

On the whole, store managers listed 40 top performin brands in the cleaners category, up one from 39 in 1989 Managers listed 37 top performers in consumer electronics and food, candy an snacks, illustrating the bran depth in these areas.

In keeping with the overa results of the survey, advertising was mentioned most often as a contributor to brand's success in the household cleaners and chemical category, followed by bran recognition and product performance.

However, survey result reveal that when store managers were asked to give specifi reasons for the success of popular brands manufactured b Procter & Gamble, Texiz Drackett and Clorox, the primary reason rests with bran recognition everywhere but a Procter & Gamble.

(Continued on page 79)

If you think the New KODAK STAR 35's are impressive,

Kodak
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Kodak
Kodak

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Household Cleaners: Top Brands Vary by Type of Outlet

Brand	All Discounters		Conventional Discounters		Upscale Discounters	
	1990	1989	1990	1989	1990	1989
Tide	54%	41%	53%	40%	61%	44%
Clorox	26	27	26	27	24	30
Windex	14	16	13	18	22	11
Procter & Gamble	14	17	14	17	11	17
Purex	12	5	14	6	—	—
Dawn	8	5	8	6	7	—
Lysol	8	6	9	6	5	4
Cheer	8	4	6	3	18	4
Fantastic	7	4	8	4	3	3
Formula 409	7	6	7	5	4	8

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Household Cleaners
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Tide	43%	59%	59%	43%
Clorox	13	33	22	30
Windex	11	12	12	28
Procter & Gamble	15	13	13	15
Purex	4	14	13	9
Dawn	—	7	15	3
Lysol	4	7	14	9
Cheer	10	5	9	11
Fantastic	1	7	9	8
Formula 409	8	5	2	19

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Tide Sweeps Over the Competition to Retain Top Spot

(Continued from page 78)

According to store managers, P&G products—including Tide, Dawn and Cheer—benefit most from advertising. Brand recognition is second and product performance is a very distant third.

For Texize products such as Fantastic and Formula 409, advertising and brand recognition are equal in attracting customer activity, according to store managers. But for Drackett—maker of Renuzit and Windex—and Clorox—maker of Clorox bleach and Tilex—brand recognition is by far the lead consideration. Product performance, though, is the second most important contributor to the success of Clorox products, however.

Store managers reported they have substantial influence over the contents and direction of the category in their stores. In fact, after food, health and beauty aids and hardware, store managers said they have the most influence over cleaners.

Wal-Mart managers said they have the most influence in this category with nearly one-fifth claiming to be able to influence the direction of this department.

Nearly seven out of 10 Wal-Mart managers said Tide was a best performing brand this year, up from fewer than five in 10 managers a year ago. The total response gain of 21 percentage points was the greatest rise of any brand mentioned in this category.

No. 2 Clorox remained in second place at Wal-Mart, followed by Procter & Gamble, Purex, and Comet, Bold and Windex, which were tied for fifth.

Target managers gave Tide the greatest number of votes as a top performing brand, more than seven out of 10, followed by Clorox, Windex,

(Continued on page 109)

take a look at the whole package.

Kodak
Kodak
SAVE $10 SPECIAL OFFER On KODAK Film and Batteries
Kodacolor
Gold 200
24 EXP FILM
Kodak

The new KODAK STAR 35 mm Camera line is loaded with the quality and value that make KODAK Cameras the No. 1 seller.

Value-added package contains everything your customers need to start taking pictures, including KODACOLOR GOLD 200 Film and KODAK PHOTOLIFE™ Batteries.

Vibrant color-coded packaging makes STAR Camera model identification a snap.

Packed with money-saving vouchers that prime the buying cycle at your store. Worth $10 toward more KODAK Film and KODAK Batteries. And $15 in photofinishing (on selected models).

The largest KODAK Camera advertising program ever will showcase STAR Cameras on network TV and in major national magazines.

Perfect for gift-giving.
So don't settle for anything less than the whole package. Call your Kodak sales account executive today.

Kodak

TOP BRANDS

HARD LINES

Automotives • Health & Beauty Aids • Hardware • Toys • Stationery • Sporting Goods • DIY

McNeil Labs Rises to Challenge Crest, Colgate

Health & Beauty Aids: Top Brands Vary by Type of Outlet

Brand	All Discounters		Conventional Discounters		Upscale Discounters	
	1990	1989	1990	1989	1990	1989
Crest	40%	39%	40%	41%	39%	29%
Colgate	18	18	17	18	22	17
McNeil Lab	15	3	15	3	14	—
Procter & Gamble	11	12	12	11	8	13
Suave	10	10	11	11	3	5
Listerine	9	13	10	14	6	7
Johnson & Johnson	9	14	8	14	14	13
White Rain	9	7	10	8	8	2
Clairol	7	7	6	9	8	1
Scope	5	6	5	7	5	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

While Crest and Colgate toothpastes continue their hold on the No. 1 and No. 2 spots in the health & beauty aids category, a major reshuffling of the overall Top 10 ranking occurred as one label broke into the listing.

New to *DSN*'s 1990 Top Brands Survey in health & beauty aids is No. 3 McNeil Lab, which produces no products under its corporate label but makes two well-known and highly promoted H&BA items, Tylenol and Sine Aid. Last year, four brands were new to the listing and they continued to be ranked among the Top 10 this year.

The reshuffling among the Top 10 brands saw Johnson & Johnson, which had held down the No. 3 spot last year, fall to No. 7, while Procter & Gamble and Suave moved up one notch each. White Rain held steady as No. 8 and Scope dropped one place. Listerine and Clairol each slipped two spots.

The survey overall tracked the ranking for 64 brands, more items than in any other classification.

Johnson & Johnson's dip reflects McNeil Lab's citation as a top performer. Johnson & Johnson is a well-known brand in its own right and also is the parent company of McNeil Lab. Greater recognition of McNeil Lab and its health products as brands apart from Johnson & Johnson's family of items obviously impacted the parent company's standing.

Procter & Gamble, which broke into the Top 10 ranking for the first time last year as the No. 5 brand, wasn't affected by any recognition of its various labels as top performers. P&G's generic listing probably denotes a combination of considerations: the company's phenomenal marketing strength and/or store manager's conviction that across the board its products are top performers.

***While Johnson & Johnson** slipped to No. 7, its subsidiary McNeil Labs came in at No. 3.*

Overall, the baker's dozen of different P&G products such as Crest, Scope, Secret, Pert, Head & Shoulders, Ivory and Charmin cited by store managers apart from the parent company itself accounted for just over 20% of the 64 brands listed in the survey.

P&G's jump from nowhere to the No. 5 spot last year and No. 4 this year is reflective of the factors that set apart one H&BA product from another in this highly consumable, fast-turn category. In order of importance cited by managers, these are: advertising, price and brand recognition.

In fact, when managers were queried about specific products, they cited advertising as the key factor for the strong performance of the top items, but were split as to the range of the other reasons.

For example, the high rankings of Crest and P&G, managers said, were due to advertising followed by brand recognition and then price, while Colgate's listing, they felt, was due to advertising, then brand recognition and finally in-store product presentation.

Johnson & Johnson's listing, they said, reflected strong advertising, then product performance and finally brand recognition.

The overall shifting among the rankings of the top brands masks changes in each label's status at conventional and upscale discounters, the four major chains and even regional preferences.

McNeil Lab, for example, last year was listed, albeit very low, by managers at conventional discounters but wasn't ranked at all by managers at upscale chains. This year, in a greatly-altered situation, managers at both types of discounters perceived the brand about the same. K mart and Wal-Mart managers in equal numbers cited the brand, while slightly fewer Target managers did so, but almost no Ames managers noted the label as a top performer.

Regionally, McNeil Lab did best in the North Central states, equally well in the South and West and poorest in the Northeast.

Johnson & Johnson's overall fall from third place to the No. 7 spot was also evident when measured on a chain and regional basis. While slightly more managers at upscale discounters cited Johnson & Johnson this year than last year, substantially fewer conventional discount store managers viewed the brand as a top label.

On a chain by chain basis, the Johnson & Johnson brand slipped 19 percentage points at Wal-Mart, 11 at Ames, and six each at K mart and Target. Regionally, mangers in the South and North Central states actually gave it a higher rating this year than last, while those in the Northeast and West gave it a lower rating.

Crest remained the top brand, but fewer managers at conventional discounters cited the label this year, while its ranking among upscale discounters rose 10 percentage points. Fewer K mart and Wal-Mart managers cited the label as a top performer, but the number of Target and Ames managers naming the brand increased, up three percentage points at the former and 16 points at the latter.

The regional ranking was a mixed bag. Crest got higher rankings among managers in the West and North Central states with lower ranking in the Northeast and South.

Colgate's overall ranking didn't change as its listing among conventional discount store managers slipped slightly and increased four percentage points among upscale discounters.

Fewer managers at the Big Four named the Colgate toothpaste brand as a top performer, the declines ranging from two percentage points at K mart to seven at Target. But on a regional basis, more managers in the Northeast, South and West listed Colgate as a top brand this year than last year, while fewer managers in the North Central states had this perception.

Procter & Gamble moved up one notch despite slightly fewer managers overall who named it a top performing H&BA brand. P&G's ranking increased among conventional discounters but fell five percentage points among upscale discounters. On a chain basis, more Ames managers named P&G but it received fewer citations by K mart, Wal-Mart and Target managers.

There wasn't any change in how discount store managers in the South viewed P&G products but its ranking only increased in the West, up nine percentage points, while dropping in the Northeast, two percentage points, and North Central states, five percentage points.

Suave, which moved up one place to the fifth spot, showed little overall change. Its number of mentions dropped slightly among upscale discounters but remained the same at conventional chains.

Health & Beauty Aids
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Crest	42%	50%	20%	47%
Colgate	22	18	10	19
McNeil Lab	18	18	2	14
Procter & Gamble	7	15	15	8
Suave	13	13	12	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Health & Beauty Aids
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Crest	22%	44%	41%	43%
Colgate	14	22	13	21
McNeil Lab	12	14	17	14
Procter & Gamble	13	10	8	19
Suave	9	9	12	8
Listerine	—	16	9	—
Johnson & Johnson	22	6	8	9
White Rain	—	9	15	3
Clairol	9	3	10	8
Scope	8	4	7	1

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Mead Chalks Up Top Position in Smaller Field

For the fifth straight year, Mead took the No. 1 spot in *DSN*'s Top Brands Survey and with a convincing lead over No. 2 Bic.

Mead and the five other stationery brands that returned to the top 10 list this year all received more discount store manager mentions as top performing brands than in 1989.

Contributing to the improvement, according to store managers, is overall brand recognition and product performance. Another consideration that must be factored in is the exclusion of greeting cards in the current survey.

This year, *DSN* decided to break out the greeting card category into a separate survey within Top Brands. This was done to better identify the key players and their performance at discount stores.

The stationery category has now been left to concentrate on store managers brand perceptions of traditional stationery items such as notebooks, filler paper, writing instruments, desk and office accessories and related back-to-school and home/office products.

Even with the new ground rules for this year, three greeting card brands were named by store managers as top performers in stationery. They were Sangamon (No. 12), American Greetings (No. 17), and Hallmark (No. 19). Of course, Hallmark does not sell to the mass market under its own label, but rather through its mass market division, Ambassador. Nevertheless, some store managers named the brand as a top performer in their stationery department.

Mead's consistent hold on the No. 1 spot underscores the strength of the popular brand. Its top position in the current survey was due to first place finishes in all areas of the survey. However, Mead did report fewer mentions this year from K mart and Ames store managers and among retailers in the North Central and West regions.

Interestingly enough, when store managers were asked why their top stationery brands perform so well, there was substantial disagreement among individuals from the four major chains.

Advertising was given relatively low priority in comparison to brand recognition (No. 1) and product performance (No. 2) everywhere but at Ames.

Target managers gave more emphasis to a vendor's large line of goods. Product performance wound up the second consideration.

K mart managers attributed a brand's success more often to product performance and brand recognition but Wal-Mart managers linked brand recognition by far as the main reason followed by product performance, advertising and line variety, which were tied for their relative importance.

In the overall survey, Mead was named a top performing brand by half the discount store managers polled, the same results calculated by conventional and upscale discounters.

No. 2 Bic, received less than half the number of mentions as Mead, or one-fifth of total manager responses.

No. 3 Crayola, last year's No. 4 brand behind American Greetings, garnered half the responses of Bic. The response level was an improvement over the crayon brand's 1989 results.

Despite Crayola's improved position on the current stationery survey, its lead over No. 4 Papermate is a slim one percentage point.

In fact, Crayola, Papermate, Stuart Hall and Cambridge, the third, fourth, fifth, and sixth place finishers, respectively, are separated in the standings by mere fractions.

For each of those brands, however, this year's results pumped up their relative standing on the chart. Crayola, Papermate and Cambridge, a division of Mead, moved up one notch apiece. Stuart Hall leaped from the No. 10 spot on the 1989 survey to fifth place this year.

New to the top brands list in stationery were Rubbermaid (No. 7), Scripto (No. 8), Pentel (No. 9) and Norcom (No. 10).

Rubbermaid's rise to the top 10 list can be linked to the chain's growing list of products in the home office category. Its presence will no doubt strengthen in the coming years now that it has acquired Eldon, a big producer of desk and office accessories.

Norcom's rise to the top 10 list comes as the company approaches its 10-year anniversary. A relative newcomer to the category, Norcom has been supplying basic stationery products to K mart, Wal-Mart and Target for some years now. Atlanta-based Norcom has "picked up many new customers this year" including Ames, said Larry Stoffer, national accounts managers. Time and a swelling roster of accounts has contributed to the company's increased recognition by store managers.

In fact, Norcom rose to the No. 5 brand at Wal-Mart and in the South this year, moving past many more well-known names. At Wal-Mart, Norcom tied Crayola, last year's No. 5 finisher.

Mead's dominance as the top performing brand in the stationery category was more decisive at Target than at any of the other chains.

At Target, Mead was mentioned as a top performer by nearly six out of 10 managers surveyed, three times the mention rate of No. 2 Bic, which tied Cambridge for second place. Crayola was the No. 4 stationery brand at Target followed by Pentel.

K mart managers gave Mead its weakest first place showing with one-third the respondents saying it was a top performer, only barely edging out No. 2 Bic. Crayola was the No. 3 brand at K mart followed by Cambridge, and Papermate tied for fourth.

Stuart Hall, which has been in a growth mode the past few years, performed best at Wal-Mart, according to store manager responses.

Stuart Hall received enough responses to make it the No. 2 stationery brand behind Mead. Following Stuart Hall, Wal-Mart managers said their top performers included Bic (No. 3), Papermate (No. 4) and Crayola (No. 5).

At Ames, Mead's Cambridge line was the No. 2 performing brand ahead of Bic, Papermate and Crayola.

The regional breakdowns gave Mead its most decisive win as a top performing stationery brand in the West. In this region six out of 10 store managers name Mead a top performer with Bic a very distant second with fewer than two in 10 responses. Cambridge was a close third.

Northeastern retailers gave Mead its least decisive endorsement with No. 2 Bic close on its heels. Papermate was a distant third in the Northeast followed by Scripto in fourth and Stuart Hall in fifth.

Compared with results from other regions, Mead's lead over Bic in the North Central region was relatively small. However, third-place Crayola still trailed by 10 percentage points. Papermate was the No. 4 brand in the region and Cambridge was fifth.

Over half the managers in the South named Mead a top performer and Bic was mentioned by fewer than two in 10 managers. In third was Stuart Hall, followed by Crayola in fourth and Norcom in fifth.

Stationery: Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	**1990**	**1989**	**1990**	**1989**	**1990**	**1989**
Mead	49%	46%	49%	47%	49%	37%
Bic	21	27	20	27	30	29
Crayola	10	7	10	7	13	5
Papermate	9	5	10	6	6	4
Stuart Hall	8	3	8	2	6	6
Cambridge	7	4	6	4	14	1
Rubbermaid	4	3	4	2	3	4
Scripto	3	1	3	1	3	1
Norcom	3	—	3	—	—	—
Pentel	2	2	1	1	9	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Stationery: Top Brands' Performance by Region

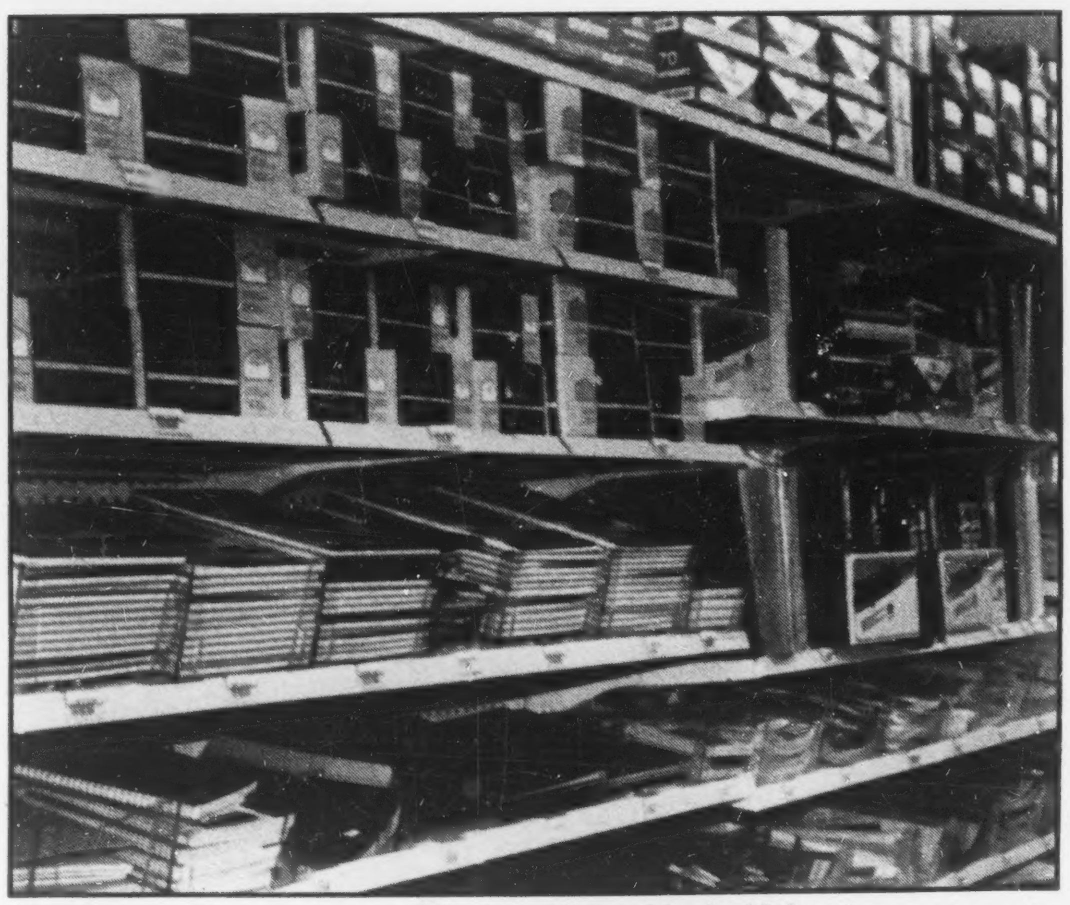
Brand	**Northeast**	**South**	**North Central**	**West**
Mead	37%	51%	45%	60%
Bic	25	16	29	15
Crayola	4	9	19	1
Papermate	10	6	15	5
Stuart Hall	7	14	4	1
Cambridge	2	6	9	12
Rubbermaid	2	1	7	3
Scripto	8	—	4	—
Pentel	2	1	5	—
Norcom	—	6	—	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Stationery: How Industry's Top 5 Fare at Chains

Brand	**K mart**	**Wal-Mart**	**Ames/Zayre**	**Target**
Mead	33%	58%	49%	58%
Bic	29	18	12	22
Crayola	15	10	7	17
Papermate	13	13	10	—
Stuart Hall	—	23	5	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*



Mead was cited *as a top performing brand by half the store managers polled and its Cambridge division moved up one notch.* (DSN photo)

Coleman Overtakes Wilson in Seesaw Struggle

Coleman roared ahead of Wilson in *DSN's* 1990 Top Brands Survey as the two companies continued their seven year long battle for first place in sporting goods.

With its latest victory, Coleman, with strengths in camping and other outdoor equipment, has taken top honors in four out of the last seven annual *DSN* Top Brands surveys. Wilson, known in golf, tennis and team sport circles, has taken first place three times.

In another surprise finding, Spalding, also a major player in golf, tennis and team sports, slipped to fourth place from third, with Zebco, vendors of fishing gear and tackle, edging it out by one percentage point. In contrast, Spalding had held a 10 point lead over Zebco in the 1989 ratings. Spalding had scored a solid third-place ranking in all four annual surveys prior to 1990 and had been closing the gap between itself and the two leaders.

Huffy, best known for bicycles, also made a strong gain over 1989, moving up one notch to the No. 5 spot on the top 10 chart and registering an eight point percentage gain.

Newcomers on the top 10 for 1990 are: Rubbermaid, thanks, no doubt, to its aggressive push in coolers, which ranked No. 7 this year, and Murray, also bicycles, which made the 10th place.

They replaced Berkley and Academy Broadway, Nos. 9 and 10 in 1989, which fell to No. 21 and No. 19, respectively.

Gains that Huffy and Murray made reflects the strong boom in mountain bikes, following stagnant sales in 10-speed street bicycles.

In other changes in the pecking order, MacGregor, maker of baseball, basketball and soccer gear, fell to No. 8 from No. 5 a year earlier, and Franklin, a producer of baseball, basketball, soccer, and volleyball equipment, slipped to No. 9 from No. 4.

Coleman's recovery is all the more remarkable because store managers at both upscale and conventional discounters named it most often as their top brand.

At conventional discounters, about four out of 10 managers surveyed named Coleman a top performing brand, compared with a quarter of the respondents last year. Wilson slipped to the No. 2 spot among conventional discount stores, with three of 10 managers citing it as a top performing brand.

Sporting Goods: How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Coleman	40%	60%	34%	44%
Wilson	29	30	51	47
Zebco	33	30	2	14
Spalding	16	20	39	33
Huffy	22	5	7	14

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Zebco, the fishing tackle vendor, *collected enough manager mentions this year to move up from fourth to third.* (DSN photo)

Sporting Goods: Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	1990	1989	1990	1989	1990	1989
Coleman	39%	27%	38%	25%	44%	39%
Wilson	33	32	32	30	40	44
Zebco	22	16	24	19	10	3
Spalding	21	26	19	24	33	33
Huffy	13	5	12	5	13	7
Garcia	7	4	7	3	5	4
Rubbermaid	6	—	7	—	6	3
MacGregor	5	8	6	9	2	1
Franklin	5	4	6	3	4	8
Murray	5	—	5	—	4	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Among upscale discount store managers, the gap separating the top two brands was marginal. Coleman was named a top performing brand by 44% of the surveyed store managers, compared with 39% in 1989. Wilson was named a top performer by 40% of upscale managers this year, down from 44% a year ago.

Among all discounters, Coleman was named a top performer by two-fifths of the respondents up from one-quarter in 1989. One-third the managers said Wilson was a top performer, a one point gain from last year.

In moving up one notch to the No. 3 this year, Zebco scored a strong gain, up six percentage points. That came at the expense of Spalding, which slipped to No. 4 with a loss of five percentage points from 1989.

But most of Zebco's gains in comparison to Spalding came at conventional discounters. In sharp contrast, among upscale discount store managers, Spalding received more mentions than Zebco.

In rankings among top chains, Coleman showed its greatest strength at Wal-Mart, where six out of 10 of managers called it a top performing brand, double the number that mentioned Wilson.

Among K mart managers, four out of 10 said Coleman is a top performing brand, compared with three out of 10 who named Wilson.

On the other hand, Wilson is a top performing brand in the minds of nearly half of Target store managers and more than half of Ames managers, outpacing Coleman.

Spalding also stands tall among Ames managers. Four out of 10 managers named Spalding a top performer, against a mere 2% for Zebco, which eased it out of third place overall. And at Target, Spalding ranked ahead of Zebco, with one-third of managers naming it among its top performing brands, compared with one-tenth for Zebco.

Sporting Goods
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Coleman	32%	44%	43%	25%
Wilson	41	29	40	22
Zebco	12	24	24	26
Spalding	33	24	11	24
Huffy	5	7	24	8
Garcia	5	3	11	8
Rubbermaid	1	8	6	8
MacGregor	7	5	5	6
Franklin	15	2	3	10
Murray	4	1	8	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Zebco, on the other hand made strong showings at K mart, where one-third named it a top performing brand, ahead of both Wilson, and Spalding.

At Wal-Mart, Zebco tied with Wilson, with three of 10 store managers saying each is a top brand, while two of 10 thought of Spalding as among its best performing brands.

Huffy made its strongest showing at K mart, garnering nearly one-quarter of store manager responses, followed by Target, with one-tenth of the mentions.

Regionally, the top brand rankings also varied significantly. Of discount store managers in the South, four out of 10 cited Coleman as a top performing brand, trailed closely by retailers in the North Central states. But in the Northeast, about one-third of managers considered Coleman a top brand and in the West only one-quarter of the respondents named Coleman as among their best performers.

In contrast, the Wilson brands held up best in the Northeast and North Central regions, with about four of 10 managers naming it a best performer.

In the South, Wilson slipped to three of 10 mentions and in the West to two of 10.

In comparison, the Zebco rankings showed remarkable consistency among the four regions, with one-quarter of the managers in each of the four regions saying that Zebco is a best performing brand in their stores.

Massachusetts-based Spalding fared best among Northeast managers, with one-third naming it as a top brand. Next came the South and West, both almost a quarter, while only one-tenth of North Central managers think of Spalding as a best performing brand.

Clues as to why Coleman grabbed top billing from Wilson this year come from the answers store managers gave when asked why their top brand is successful.

Of the total, more than four of 10 attributed Coleman's success to its advertising, compared with less than three of 10 for Spalding.

As a success factor among those who think Wilson is a top brand, only 15% of those surveyed cited advertising.

In managers' perception of product performance, the second most important factor in top brand success, Zebco stood out, with almost two-thirds citing product performance as the reason for success.

Pennzoil Motors Ahead of Quaker State

Automotives: Top Brands Vary by Type of Outlet

Brand	All Discounters		Conventional Discounters		Upscale Discounters	
	1990	1989	1990	1989	1990	1989
Pennzoil	40%	28%	42%	28%	34%	27%
Quaker State	26	39	25	39	30	41
Fram	25	17	21	16	46	26
Havoline	20	14	22	16	9	6
Prestone	17	9	15	8	24	12
Valvoline	15	18	15	19	15	12
AC-Delco	12	5	12	5	9	8
Castrol/Castroil	10	8	8	6	22	16
Turtle Wax	9	5	10	5	5	4
STP	6	12	6	12	4	10

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Prestone moved to No. 5 *from last year's No. 7 spot and showed a fairly consistent standing at the top discounters.*

For the second year in a row, Pennzoil and Quaker State flip-flopped positions in the standings for best performing automotive brands in the minds of discount store managers.

In *DSN*'s Top Brands Survey, it was Pennzoil's turn to surge past Quaker State in the automotives category, with four out of 10 discount store managers naming it as a top performing brand, compared with one-fourth of managers citing Quaker State. That was the reverse of 1989, when Quaker State shot past Pennzoil by about the same margin.

Those sudden reversals contrasted sharply with the 1988 results when the two brands virtually tied, with three of 10 managers naming Pennzoil and almost the same number citing Quaker State as a top performing brand.

What remains constant is their dominance of the two top spots over the past five years. In those years, Quaker State took honors as the top brand three times to two for Pennzoil.

Another constant is the prominence of oils and filters in the top brands survey, reflecting the increasing importance of oil and filter changes as a simple DIY project that the average consumer can still handle in an era of mounting automotive complexity.

As they did last year, five oils made it on the Top 10 chart this year, along with Fram filters, which ranked No. 3, and STP, best known for oil additives, completing the 10.

For Fram, the 1990 survey meant a step up from the No. 4 spot last year. It bumped Valvoline out of third place this year returning it to the middle of the pack, a spot it held from 1986 though 1988.

The other three on the Top 10 chart this year also represent products for simple projects for the backyard mechanic: Prestone, anti-freeze; AC-Delco, batteries and spark plugs; and Turtle Wax, polish, wax and washes.

On the Top 10 chart, Havoline moved up a notch this year to No. 4 from No. 5 in 1989.

In other shifts, Valvoline dropped to No. 6 from No. 3, Prestone moved to No. 5 from No. 7; AC-Delco moved up to No. 7 from No. 9; Turtle Wax moved up to ninth place from No. 10 in 1989; and STP dropped to 10th place from sixth.

Pennzoil gained ground over rival Quaker State in the view of both conventional and upscale managers but gained the most among managers of conventional discount stores. A bit more than four of 10 conventional discount store managers said they regard Pennzoil as their best performing brand, compared with one-third of upscale managers.

In comparison, Quaker State lost status in the thinking of both categories of managers, with one-quarter of conventional managers saying they think Quaker State is a top brand and three out of 10 upscale managers expressing the same opinion.

Fram also gained stature with both categories of store managers but picked up most of its improvement among upscale store managers. Almost half of upscale managers named it their top brand, against one-fifth of conventional managers.

Even brands that fail to make the Top 10 list showed pockets of strength.

About two of 10 K mart managers, for example, cited Amoco as their top performing brand, but none at Wal-Mart and Ames.

Amoco tied with STP with roughly 6% of all store managers—mostly K mart—naming it as among their top performing automotives brands.

Top 10 automotive brands also vary widely in their standing from chain to chain.

Half of K mart managers, for example, named Pennzoil as a top performer, compared with less than one-tenth of Ames managers. On the other hand, more than half of Ames' managers cited Quaker State as a best performer, compared with one-quarter of K mart managers.

In the survey, Fram made its best showing at Target, where six of 10 managers said it was a best performing brand compared with less than one in 10 of K mart managers.

At Wal-Mart, almost four of 10 store managers named Havoline as a top performer, compared with less than one in 10 at both Ames and Target.

Prestone, however, showed a fairly consistent standing among the four chains, with roughly two of 10 managers at each of the four major chains naming it a best performer.

Automotive brand performance also varies widely by region, and some brands appear, as expected, to do better in their home territory.

Pennsylvania-based Quaker State performed best in the Northeast, with almost half the managers citing it as a top performing brand, while only about two of 10 managers in the South and West agreed.

Houston-based Havoline, did twice as well in the South—no doubt thanks to its strength among Wal-Mart managers—than it did in the Northeast and the West.

Detroit-based AC-Delco performed best among North Central managers, while it trailed off in the minds of managers in the Northeast and West.

Pennzoil: Best in the West

In an apparent exception to regional preference, Houston-based Pennzoil made its best showing in the West, with almost three-quarters of Western managers in its camp, followed by the North Central region, with half of those managers. In its home turf, about three of 10 Southern store managers named it as among their best performing brands, while less than one in 10 managers in the Northeast named it a top performer.

As for the factors behind top brand success, managers who named Pennzoil as their best performing brand said brand recognition was the most important, followed by advertising and product performance.

In comparison, those who named Quaker State said the key factor was advertising, followed by brand recognition and product performance.

Managers who named Fram said brand recognition was the most important factor, followed by product performance. Advertising was way down on their list of success factors, trailing low prices.

Discount store managers who cited Havoline as a top performer named the three major success factors as: brand recognition, followed by advertising and low prices. None cited product performance as a reason for success.

Automotives
Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Pennzoil	8%	30%	50%	73%
Quaker State	46	19	27	21
Fram	15	30	27	17
Havoline	7	29	19	12
Prestone	18	20	15	12
Valvoline	13	15	18	9
AC-Delco	4	11	17	8
Castrol/Castroil	16	17	3	7
Turtle Wax	8	6	13	10
STP	18	3	4	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Automotives
How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Pennzoil	49%	40%	7%	39%
Quaker State	26	20	51	31
Fram	7	33	34	58
Havoline	18	38	7	8
Prestone	15	18	20	17

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Stanley, B&D Cement Hold on Top Two Spots

Hardware: Top Brands Vary by Type of Outlet

	All Discounters		Conventional Discounters		Upscale Discounters	
Brand	**1990**	**1989**	**1990**	**1989**	**1990**	**1989**
Black & Decker	71%	55%	70%	55%	75%	54%
Stanley	68	57	68	55	69	68
Glidden	7	1	6	1	14	13
Skil	5	4	5	4	4	2
Dutch Boy	5	—	5	—	1	—
General Electric	4	8	3	7	7	12
Shop Vac	4	—	4	—	2	—
McCullough	3	—	3	—	1	—
Hirsh	2	—	2	—	4	—
Lucite	2	3	2	3	4	1

Source: Discount Store News/Leo J. Shapiro & Assoc.

Thanks primarily to increased mentions among upscale discount store managers, Black & Decker squeezed ahead of Stanley by a narrow margin for honors as the No. 1 hardware brand in the 1990 *DSN* Top Brands Survey.

That reversed the results of the 1989 Top Brands survey, when managers by a tiny margin named Stanley more often than Black & Decker as a top brand.

For the past five surveys, Black & Decker and Stanley have owned the two top spots, with Black & Decker garnering the highest percentage of mentions by store managers as a top performing brand in three of the past five years. Stanley has taken Top Brand honors in the hardware category the other two years.

The most dramatic results of the 1990 survey were the rise of Glidden in the standings and the decline of General Electric.

Glidden paint spurted to No. 3 on the Top 10 chart from ninth place, with twice as many upscale store managers citing it as a top brand as conventional discount store managers did.

Glidden displaced GE, which slipped to a sixth place tie with Shop Vac just behind Skil and Dutch Boy, which tied for fourth place.

A comer is Dutch Boy, which is aggressively promoting itself as a discount industry brand. It ranked No. 5 on this year's Top 10 chart, whereas it failed to appear at all last year.

Lucite, a paint brand that PPG acquired in February 1990, fell out of fourth place to 10th among top performing brands in the hardware department. Lucite's overall share of top brand mentions, however, declined by only one percentage point, illustrating how closely the last eight of the Top 10 are bunched within a narrow percentage range. But its 2% share of all top brand mentions contrasts sharply with its 9% share in 1988.

On this year's survey, the top two garnered an even larger share of total mentions than they did in last year's poll of store managers.

Thus, with top brand popularity so widely fragmented beyond those two, it takes only a handful of store managers to change their minds about the performance of most hardware brands either to push them onto the Top 10 or yank them off. Expect, therefore, to see extreme volatility in the Top 10 ratings, except for the top two brands.

Other newcomers to the 1990 Top 10 chart are: Shop Vac; McCullough, chain saws; and Hirsh, closet organizers.

Royal, Rubbermaid, Bull Dog and Great Neck, which each got a point or two of total top brand mentions last year, dropped off the chart in 1990.

***Store managers attributed** Black & Decker's success to a combination of effective advertising and brand recognition.* (DSN photo)

Although Black & Decker edged out Stanley in the 1990 survey because of increased standing in the minds of upscale discount store managers, Black & Decker was just about equally popular with each type of manager.

Similarly, Stanley draws its strength almost equally from managers of both upscale and conventional discount stores.

For the top two brands, regional variation in the results are slight.

About three-quarters of North Central store managers named Black & Decker as a top brand, trailed closely by about seven out of 10 in the Northeast and South. In the West, the proportion fell to a bit less than six out of 10.

Stanley did better in the North Central region and the South, with about seven of 10 managers naming it as a top performing brand, with better than six of 10 managers in the Northeast and West considering it one of their best performers.

Regional variations are more pronounced for other top brands. Glidden, for example, drew its strength from the Northeast, the North Central region and the South.

Dutch Boy garnered most of its top brand mentions from the North Central region, with only tiny percentages from the other three regions.

GE showed strength in the South and North Central regions, but virtually none in the Northeast and West.

And, Shop Vac got most of its top brand mentions in the North Central region and the West, with none in the Northeast and just a tiny percentage in the South.

Standing of the top brands also varies by chain.

Almost nine of 10 Target managers named Black & Decker as a top performing brand, compared with eight of 10 K mart managers, a bit less than eight of 10 Wal-Mart managers and a little less than seven of 10 of Ames managers.

About eight of 10 managers at Wal-Mart, Target and K mart cited Stanley as one of their top performers, compared to less than seven of 10 Ames managers.

The percentage of K mart managers who cited Glidden as a top brand was three times as large as those at the other three chains.

Skil drew all of its top brand mentions from Target managers, while Dutch Boy received top performing mentions from K mart and Wal-Mart managers but none from Ames and Target managers.

The dominance of Black & Decker and Stanley is so entrenched that the third, fourth and fifth-place hardware labels at each chain barely garnered enough responses to report.

The situation is slightly different at K mart, where store managers mentioned Glidden (No. 4) and Shop Vac (No. 5) in sufficient quantity as to merit a mention.

The survey also found that store managers regard hardware as the third-ranking category in their store in terms of the influence they can exert over its product selection and display. Wal-Mart managers, along with managers of smaller chains, indicated that they can exert influence over their hardware departments. In that regard, hardware trails food, candy and snacks, and health and beauty aids, Nos. 1 and 2, respectively.

An exception were Target managers, none of which mentioned having influence over the hardware category. Target headquarters has been eliminating hardware items that call for much DIY skill beyond basic knowledge.

As for why the two top hardware brands succeeded, managers ranked the three key factors in differing order.

For Black & Decker, managers said advertising was the most important factor, followed closely by brand recognition. Product performance was a distant third.

But for Stanley products, managers mentioned most often product performance as the chief reason for its success as a top brand, with brand recognition trailing closely.

Hardware: How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Black & Decker	84%	78%	68%	86%
Stanley	76	80	68	78
Glidden	15	5	5	6
Skil	—	—	—	6
Dutch Boy	11	8	—	—

Source: Discount Store News/Leo J. Shapiro & Assoc.

Hardware: Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Black & Decker	68%	71%	77%	58%
Stanley	62	69	72	61
Glidden	—	8	8	10
Skil	—	2	10	8
Dutch Boy	1	2	10	3
General Electric	—	6	5	—
Shop Vac	—	1	6	6
McCullough	1	—	3	3
Hirsh	1	—	5	—
Lucite	4	2	2	—

Source: Discount Store News/Leo J. Shapiro & Assoc.

Fisher-Price Holds On to No. 1 Position

Toys: Top Brands Vary by Type of Outlet

Brand	All Discounters 1990	All Discounters 1989	Conventional Discounters 1990	Conventional Discounters 1989	Upscale Discounters 1990	Upscale Discounters 1989
Fisher-Price	57%	66%	54%	63%	72%	77%
Mattel	42	32	44	30	35	77
Playskool	32	24	29	23	49	29
Little Tikes	21	16	22	16	19	19
Milton Bradley	14	11	15	10	12	18
Hasbro	13	8	14	8	10	5
Teenage Mutant Ninja Turtles	13	—	13	—	14	—
Huffy	10	3	12	3	3	—
Lego	6	5	5	5	9	5
Parker Brothers	4	2	4	2	3	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Toys: Top Brands' Performance by Region

Brand	Northeast	South	North Central	West
Fisher-Price	57%	59%	61%	45%
Mattel	35	41	42	51
Playskool	43	26	35	33
Little Tikes	20	27	19	15
Milton Bradley	25	9	15	14
Hasbro	23	11	14	8
Teenage Mutant Ninja Turtles	10	8	15	22
Huffy	—	13	10	14
Lego	7	3	8	8
Parker Brothers	8	2	6	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Toys: How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Fisher-Price	42%	60%	93%	81%
Mattel	49	43	32	31
Playskool	40	20	32	39
Little Tikes	16	38	17	19
Milton Bradley	24	10	2	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Fisher-Price was again the top ranked toy brand with discount store managers but in a much weakened position from last year, according to results of *DSN*'s 1990 Top Brands Survey.

Probably still feeling the impact of last year's manufacturing and distribution troubles, this year's plant closings and layoffs, and the after effects of its spinoff from parent Quaker Oats, Fisher-Price's position as the best performing brand in the toy department is being challenged by second-place Mattel, which advanced in the minds of many store managers.

Mattel lost ground at upscalers like Target, where the mention rate was cut in half from last year. Mattel tied for first place with F-P on the 1989 survey, but fell to third this year behind F-P and Playskool.

Last year, store managers named F-P as the top performing brand by a 1-to-2 margin over Mattel. This year, the margin closed considerably.

No. 3 Playskool, No. 4 Little Tikes, Milton Bradley (No. 5) and Hasbro (No. 6) all held onto their 1989 ranking and with greater strength.

F-P was named a top performer by fewer than six out of 10 store managers this year compared with seven out of 10 in 1989. Four of 10 managers named Mattel a top performer, up from three of 10 a year ago.

However weakened, F-P remains the best performing brand in toys due largely to its mentions by managers at upscale discounters such as Target and conventional discounter Ames.

In fact, F-P's best showing was recorded at Ames. More than nine out of 10 Ames store managers named F-P a best performer in the toy department, a gain of nine percentage points from 1989.

Super Value
SUPER VALUE
Super Value!
$13.44
Fisher-Price
Bubble Mower

***Fisher-Price held** its own despite a weakening from last year. Mattel, in second, got increased mentions from store managers this year.* (DSN photo)

A newcomer to the Top 10 list in 1990 is not a brand but a license. Teenage Mutant Ninja Turtles was named by store managers as a top performing brand often enough to rank it as the No. 6 brand this year, tied with Hasbro. The Turtles also were the No. 5 ranked toy brand by K mart and Target store managers.

Among all upscale discounters, The Turtles also ranked fifth. And in the West, Ninja Turtles became the No. 4 toy brand, outpacing Milton Bradley, Little Tikes and Huffy.

In addition to The Turtles, new to the Top 10 list in toys this year is Parker Brothers, (No. 10) indicating the renewed popularity of board games.

Gone from the Top 10 list in 1990 are Kenner, which tied Lego for seventh place last year, and Tonka, which tied Huffy for the No. 9 spot on the 1989 survey.

This year, Kenner fell to 14th behind Tonka (No. 11), Murray and Nintendo (tied for 12th). Kenner's best showing was at Ames, where managers mentioned the brand often enough to make it No. 5 on the toy list.

Huffy moved up to the No. 8 spot on the current survey and Lego fell to ninth this year, but with more responses.

Among conventional discounters such as K mart, Wal-Mart and Ames, the Top 10 toy brands mirrored the "all discounters" list. A major difference was F-P's hold on the No. 1 spot was slightly weaker and Mattel's position as the No. 2 brand was stronger. Playskool had a slightly weaker showing among conventional discounters, as did Lego.

Among upscale discounters, F-P had its best showing, although somewhat softened from 1989, but Mattel had its worst showing here. Managers at upscalers named Mattel a top performing brand half as often as they did last year. Only three in 10 upscale discount store managers named Mattel a top performer on the current survey compared to nearly eight of 10 in 1989.

Little Tikes, Milton Bradley, Hasbro, Huffy and Parker Brothers received fewer mentions as top performing brands this year among store managers at upscale discounters.

The toy brands gaining strength in the minds of store managers at upscale discount stores include Playskool, which nearly doubled its rate of mention this year, and Hasbro, which was mentioned as a top performer by one in 10 managers compared to half as many in 1989. Lego also substantially improved its showing among managers at upscalers.

At the individual discount store chains, the top five toy brands got reshuffled a bit.

Mattel and Playskool gained strength at K mart, Wal-Mart and Ames, but fell slightly at Target. Little Tikes was named a top performer more often this year than last year everywhere but at Ames, and Milton Bradley improved its standing as a top performer only at K mart.

At K mart, the top performing brands, in order, were Mattel, F-P, Playskool and Milton Bradley and Ninja Turtles tied for fifth. Little Tikes, Hasbro and Lego tied for sixth.

Wal-Mart store managers placed F-P first followed by Mattel, Little Tikes, Playskool and Huffy.

Ames store managers named F-P a top performing brand most often to make it the No. 1 brand at that chain followed by Mattel and Playskool in a tie for second, followed by Little Tikes and Kenner.

F-P was the top performer among Target managers followed by Playskool, Mattel, Little Tikes and Ninja Turtles.

F-P lost ground everywhere but in the South where it nudged up slightly to garner two-thirds the responses, followed by Mattel, with nearly half the managers naming it a top performer.

The Northeast region handed Fisher-Price its greatest loss, where responses fell off by 24 percentage points from 1989. Nevertheless, F-P was still able to hold onto the No. 1 spot in the Northeast. It was followed by Playskool, Mattel, Milton Bradley and Hasbro.

In the North Central region, two-thirds of the respondents said Fisher-Price was a top performing brand, giving it the No. 1 spot, followed by Mattel, Playskool, Little Tikes, with Milton Bradley and Ninja Turtles tied for fifth.

Western-based store managers mentioned Mattel most often as a top performer, followed by F-P, Playskool and Ninja Turtles. Little Tikes, Milton Bradley and Huffy tied for fifth.

As for the factors that store managers attribute to the success of their best performing toy brands, advertising (39%), brand recognition (33%) and product performance (29%) were the major ones.

For the top three toy brands, Fisher-Price, Mattel and Playskool, advertising, brand recognition and product performance formula differed slightly from the norm.

Store managers who named Mattel as a top performer played down product performance as a factor, and instead ranked advertising and brand recognition as the major factors for the brand's success.

For those who named Playskool, store managers said product performance was just about the only reason for the brand's success, according to store manager responses. Advertising and brand recognition were hardly mentioned at all.

Of the 22 categories managers commented on for the 1990 survey, toys ranked sixth as the category they have the most influence over in terms of product selection and display, behind food, candy and snacks, H&BA, hardware, household cleaners and chemicals, and sporting goods.

Store managers claiming the most influence over the department were those at Wal-Mart.

American Greetings Nabs Managers' Nod

Greeting Cards: Top Brands Vary by Type of Outlet

Brand	All Discounters 1990	All Discounters 1989	Conventional Discounters 1990	Conventional Discounters 1989	Upscale Discounters 1990	Upscale Discounters 1989
American Greetings	51%	17%	49%	17%	62%	16%
Ambassador	20	4	19	4	28	6
Gibson	8	4	9	4	—	—
Sangamon	6	2	7	2	—	—
Hallmark	5	3	5	4	9	1

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

American Greetings emerged as the No. 1 greeting card brand at discount stores, outperforming No. 2 Ambassador by a more than 2-to-1 margin.

DSN's 1990 Top Brands Survey represents the first time the greeting cards category has been examined for brand preference.

Since 1986 when *DSN* started Top Brands, greeting cards were included in the stationery survey and was represented by at least one brand. But last year, four greeting card labels made the Top 10 stationery list—American Greetings, Ambassador, Gibson and Hallmark—and *DSN* decided to make it a separate category in 1990 so brand performance can be better examined.

Store managers were asked the same battery of questions on greeting cards as they were for the other 17 merchandise categories in the survey including which brands performed best in their stores and what are the attribute of their top sellers.

Often, discounters have just one greeting card brand on their shelves. Others may split the category between two greeting card manufacturers and possibly a third in a minor role. But unlike categories such as H&BA or toys, for example, multiple brands are not represented in greeting card programs. Therefore, the results of the greeting card brands survey could change annually as the makers gain or lose retail accounts or the nature of the business changes dramatically.

For example, Sangamon, the No. 5 ranked greeting card brand would be hard-pressed to improve its standing in the survey unless Target, Ames and Wal-Mart take on the label.

Consequently, what managers identify as a best performing brand in the greeting card category primarily rests with the brand being the only one carried. More than three-fourths of the respondents attributed their lone brand as a best performer because it was their only choice. Variety of merchandise was often cited as the second most important attribute of their top performing brand. Advertising was a very distant third and brand recognition was fourth.

Overall, American Greetings was the No. 1 greeting card brand followed by Ambassador in second place. Gibson, came in third; Sangamon, fourth; and Hallmark, fifth.

Hallmark, of course, does not service discount stores. Instead, Hallmark is represented by Ambassador, its mass market division.

American Greetings made a clean sweep of first place among conventional and upscale discounters, the Big Four chains, and in all four regions. Its fared best at Ames where nearly eight out of 10 managers named American Greetings a top performer. Its worst results came at the hands of "other conventional discounters." Only one-third of those managers named American Greetings a top performer, outpacing Ambassador and Gibson.

Greeting Cards: How Industry's Top 5 Fare at Chains

Brand	K mart	Wal-Mart	Ames/Zayre	Target
American Greetings	58%	53%	78%	53%
Ambassador	4	33	7	42
Gibson	4	5	2	—
Sangamon	6	7	22	—
Hallmark	5	5	7	6

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Ambassador was the No. 2 greeting card label with one-fifth the managers naming it a top performer, results that were nearly three times the responses for Gibson.

Target managers were the most enthusiastic about Ambassador. More than four in 10 managers named it a top performer, 11 percentage points behind American Greetings. Ambassador was not a factor at K mart.

Gibson, in the No. 3 spot, performed best among other conventional discounters but was not a factor at any chain.

Sangamon, in fourth, made the top brands list because of its presence at K mart. One-fifth the managers named Sangamon a best performer, second to American Greetings. Sangamon should improve among K mart managers in the 1991 survey since the greeting card company is gaining more emphasis at the chain.

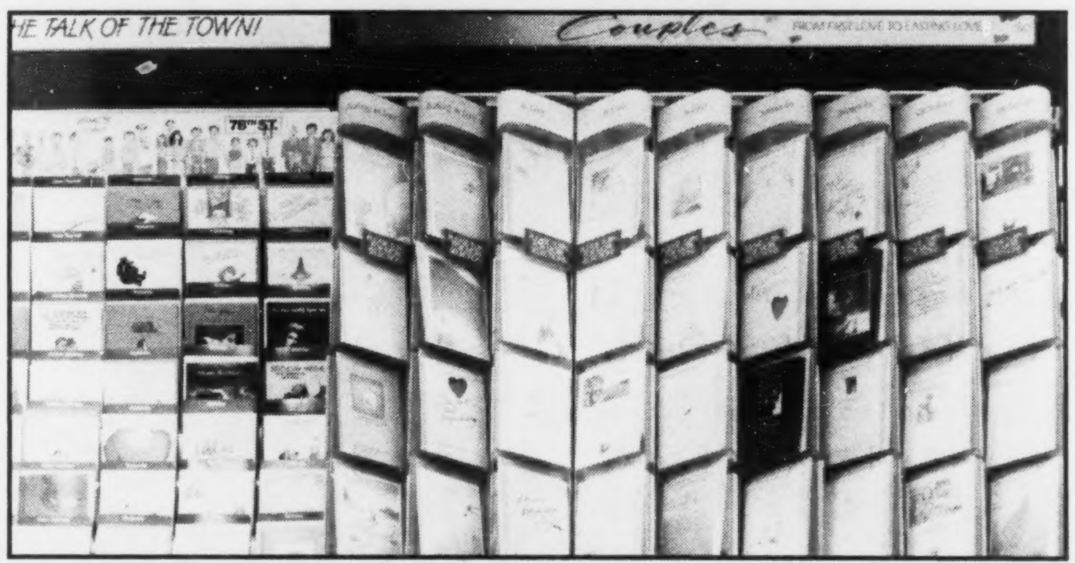
At No. 5, Hallmark made the top brands list due to responses by "other upscale discounters."

In the regions, American Greetings had its best showing in the Northeast. Nearly two-thirds the store managers called American Greetings a top performer, five times more than the No. 2 Ambassador.

Ambassador's best showing was in the South where more than one-fourth the managers named it a top performer, about half the response level for American Greetings.

American Greeting's weakest regional result was in the West. Four in 10 managers named it a top performer. Ambassador and Gibson tied for second place followed closely by Hallmark in fourth. For Gibson these results were its best.

Sangamon was not a factor in the Northeast, according to manager responses, but was No. 3 in the North Central region behind American Greetings and Ambassador.



***American Greetings took first place** among both conventional and upscale discounters, followed by Ambassador.*

Greeting Cards: Top Brands' Performance by Region

Brand	Northeast	South	North Central	West
American Greetings	62%	49%	53%	44%
Ambassador	13	26	18	16
Gibson	5	7	7	15
Sangamon	—	5	8	6
Hallmark	8	2	5	13

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Tide Whitewashes Competition to Stay in No. 1 Position

(Continued from page 79)

Cheer, and Procter & Gamble and Wisk tied for fifth.

Tide received its weakest support from K mart managers. Fewer than half of them mentioned the laundry detergent as a top performer. However, Tide received nearly double the number of responses this year as it did in 1989.

Clorox, Purex and Fantastic shared the No. 2 spot in household cleaners at K mart, followed by Formula 409 in fifth.

At Ames, Tide led the brands list, off eight percentage points from last year. Procter & Gamble and Clorox tied for the No. 2 spot and Windex was a weak fourth. No other brands received enough mentions by store managers to warrant mentioning a fifth-place finisher.

Brand performance in the regions was led by Tide and Clorox.

Procter & Gamble was fourth and Cheer and Windex tied for fifth in the Northeast.

Purex, P&G and Windex garnered enough mentions finish in third, fourth and fifth place in the South, and, in the North Central region, Tide and Clorox were followed by Dawn, P&G and Purex.

Windex, Formula 409 and P&G were mentioned by store managers often enough in the West to finish in third, fourth and fifth, respectively.

***Tide took the No. 1 position** by more than half of store managers surveyed.* (DSN photo)

Frito-Lay Chips Away to Get No. 1 Position

Frito-Lay regained the top spot in the food, candy and snacks category in *DSN*'s 1990 Top Brands Survey, pushing back Hershey's, which took the lead last year.

Hershey's fell to third behind M&M/Mars, which moved into the No. 2 position.

M&M/Mars includes just M&M's and Mars brands and not the company's other brands, such as Snickers.

In previous years, M&M/-Mars brands—M&M's, Mars, Snickers and Milky Way—received significant responses on their own and were reported individually. Not this year.

On the current survey, both Snickers and Milky Way bars barely received any responses from store managers. This is particularly significant for Snickers, which was the No. 6 brand last year and the No. 2 brand in 1988.

While M&M/Mars emerged as the No. 2 brand on the survey this year, the labels garnered far fewer responses from store managers than they did in 1989. This year, three in 10 store managers said the two candy labels were top performing brands, compared with four in 10 last year.

Hershey's, the No. 1 food, candy and snack label in both 1988 and 1989, lost ground everywhere except among North Central region store managers and at Wal-Mart and Target, almost a complete reversal from 1989's survey results.

This year, just three in 10 store managers named Hershey's a top performing brand in the food, candy and snacks category, down from one-third of the managers last year. Hershey's does have the chance to strengthen its position this year, however, with the introduction of its new Kisses with almonds, introduced with much fanfare in New York's Times Square Sept. 18.

But it was American's taste for salty snacks that once again propelled Frito-Lay to the top of the brands survey. One-third of all store managers surveyed said Frito-Lay, the maker of Frito's-brand corn chips and Lays potato chips, is a top performing brand. As in the past, store managers did not mention Frito's or Lay's separately.

This year, seven of the Top 10 brands returned to the list, most with more responses than last year. The only exceptions were M&M/Mars, Hershey's and Brach's.

What's interesting about the improved responses for seven of the Top 10 is that they were able to improve their positions during an increasingly competitive market.

Store managers named 33 food, candy and snacks labels this year as top performing brands, up from 27 last year. Therefore, the greater number of labels did not force a dilution of the top brands.

New to this year's Top 10: Pepsi, at No. 8; Ocean Spray, at No. 9; and Fisher, at No. 10.

The top seven brands, although still the category's best performers, were reshuffled this year.

In addition to Frito-Lay retaking the No. 1 spot, M&M/Mar's grabbing second place and Hershey's in third, Planters became the No. 4 brand, up from fifth last year, and Nabisco rose to fifth from eighth. Brach's, the No. 4 brand on the 1989 survey, fell to sixth this year and Coke became the No. 7 brand, up two spots from last year.

Frito-Lay held the top spot among conventional and upscale store managers, in the South, North Central regions, and at Wal-Mart. The brand lost some luster in the Northeast and at Ames and Target, according to survey results.

Among conventional discounters such as K mart, Wal-Mart and Ames/Zayre, Frito-Lay was the No. 1 food, candy and snack brand followed by Hershey's and M&M/Mars, a very close third. Planters was fourth among these managers, followed by Nabisco.

At upscale discounters such as Target, M&M/Mars was most often mentioned as a top performing brand, followed by Frito-Lay in second, Planters in third and Hershey's in fourth. Nabisco and Fisher tied for fifth followed by Coke.

The real differences in the line-up of top performing brands in the food, candy and snacks category occurred among the individual retailers.

M&M/Mars was the big winner among the four major discount store chains, winning the top spot at two chains.

More than half the Ames store managers surveyed said M&M/Mars is a top performing brand followed by Hershey's with nearly three in 10 store managers. Planters was third with almost one in five store manager responses followed by Brach's in fourth and Frito-Lay in fifth.

Almost half of the store managers at Target said M&M/Mars is a top performer in the food, candy and snacks category and Frito-Lay was a close second with two-fifths of the responses. Planters took the third berth with a little more than a quarter of the store manager responses followed very closely by Fisher nuts in fourth and then Hershey's in fifth.

At Wal-Mart, Frito-Lay was the No. 1 brand with more than half the store managers naming it a top performer. Hershey's, Planters and Nabisco all tied for second place with two out of 10 responses and M&M/Mars was fifth.

It was a close contest at K mart. Almost four out of 10 K mart managers named Planters a top performer, enough to give it the No. 1 spot on the food, candy and snacks list. Hershey's was second with one-third of the managers responses followed closely by M&M/Mars with slightly more than three of 10 mentions. Frito-Lay was fourth with nearly the same number of responses. Nabisco was fifth with one in 10 managers naming it a top performer.

In the regions, Frito-Lay was No. 1 in the South and North Central states, and M&M/Mars headed the list in the Northeast and West.

Frito-Lay also finished second in the West and fourth in the Northeast.

In addition to its two first place showings, M&M/Mars was second in the South and fourth in the North Central states.

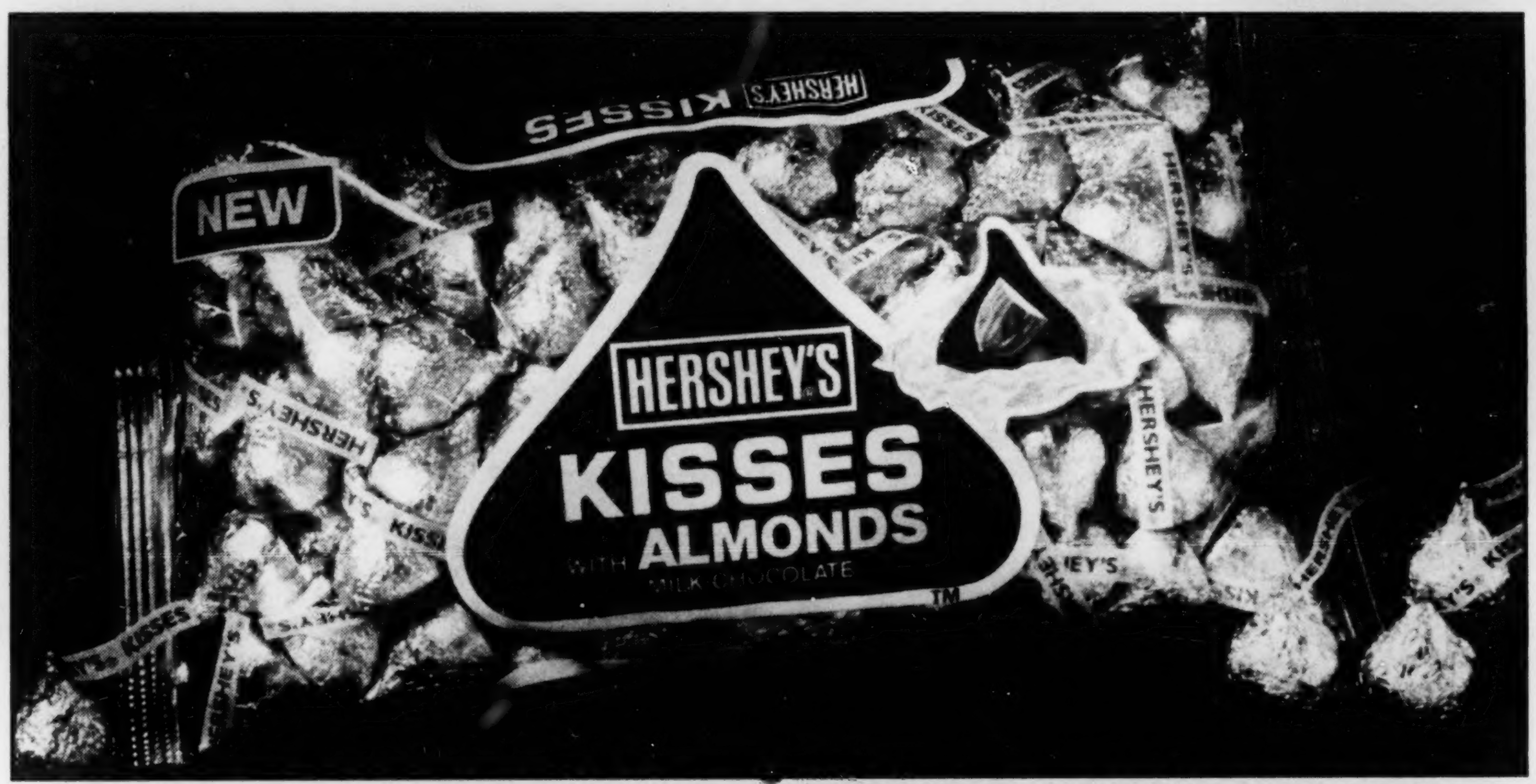
Hershey's was second in the Northeast and North Central states. Planters was third and Nabisco was fifth in all regions.

Store managers attribute the success of their top performing food, candy and snacks brands to brand recognition, advertising and product performance.

Food, Candy, Snacks: Top Brands Vary by Type of Outlet

Brand	All Discounters		Conventional Discounters		Upscale Discounters	
	1990	**1989**	**1990**	**1989**	**1990**	**1989**
Frito-Lay	34%	25%	35%	25%	30%	28%
M&M/Mars	33	44	30	42	47	58
Hershey's	29	33	31	33	18	30
Planters	27	15	27	14	23	24
Nabisco	16	7	16	8	14	1
Brach's	13	16	14	18	11	5
Coke	7	5	6	3	13	11
Pepsi	5	4	4	3	9	5
Ocean Spray	4	2	5	2	1	—
Fisher	4	—	2	—	14	—

Source: Discount Store News/*Leo J. Shapiro & Assoc.*



Hershey's Kisses with almonds could *help the company regain the No. 1 spot on the 1991 Brands list. The new candy was launched Sept. 18 in New York where a 500-pound-replica of the kiss was dropped from 1 Times Square, the only item other than the New Year's Eve ball to be dropped from the landmark building.*

How Industry's Top 5 Fare at Chains Food, Candy, Snacks

Brand	K mart	Wal-Mart	Ames/Zayre	Target
Frito-Lay	29%	58%	7%	42%
M&M/Mars	31	15	56	47
Hershey's	33	20	27	17
Planters	38	20	17	28
Nabisco	15	20	5	8

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Food, Candy, Snacks Top Brands Performance by Region

Brand	Northeast	South	North Central	West
Frito-Lay	18%	32%	44%	31%
M&M/Mars	45	28	31	39
Hershey's	40	23	33	24
Planters	19	25	31	27
Nabisco	13	15	16	19
Brach's	7	15	16	7
Coke	12	6	7	3
Pepsi	8	4	5	5
Ocean Spray	—	9	2	—
Fisher	—	5	4	3

Source: Discount Store News/*Leo J. Shapiro & Assoc.*

Kmart's Office Square to Merge With OfficeMax

(Continued from page 1)

completed by early November.

Rather than signal its exit from the office supply business, the move illustrates K mart's willingness to let a management team with more expertise in the office supply field manage the discounter's stake.

For OfficeMax, K mart's equity position and substantial cash infusion will place the company in a better position to grow and "transcend our regional orientation and solidify our presence" in both existing and new markets, said Michael Feuer, president.

OfficeMax plans to have more than 110 office supply megastores in operation by July 1992, added Feuer, noting that he expects to have 65 units by July 1991.

The merger will make OfficeMax the eighth largest office supply chain.

Growth through acquisition has become a standard practice at K mart and is becoming one at OfficeMax.

The acquisition of Office quare marks the second acuisition for OfficeMax in the ompany's young history. In pril, OfficeMax acquired the even-unit Office World. Ofice World operated its stores Chicago, and those units ow are called Office World by OfficeMax.

Feuer plans further acquisitions as a way to grow the company, perhaps acquiring chains at the rate of one every six months. K mart's financial participation makes such a goal possible.

Feuer said he was happy to exchange equity in the company for cash. His team can now tap the larger firm's resources and expertise.

"We wanted to be in control of our destiny and we selected the company with whom we had the same philosophical views," Feuer said.

K mart approached OfficeMax with the sale/equity/cash offer more than six months ago. Negotiations were held directly with K mart chairman Joseph Antonini and chief financial officer Thomas Murasky.

Feuer said he agreed to the transaction because he was impressed with Antonini, Murasky and the entire K mart management team. He also said he liked the direction K mart executives were taking with their own company, and that their "chemistry worked."

With its purchase of a stake in OfficeMax, K mart has again shown its eagerness to seek prosperous retail concepts and meld them into its growing specialty division. That is particularly important to the giant discounter since it has been unable to start up and grow winning specialty chains of its own in recent years.

Like its ill-fated off-price apparel start-up in the early '80s—Designer Depot—K mart's two most recent start-ups—Office Square and Sports Giant—were floundering. Earlier this year, K mart acquired the young Sports Authority chain and folded Sports Giant into it.

Similarly, after purchasing Makro, a small hybrid membership club/hypermarket chain, K mart went out a bought a proven winner in Pace Membership Club.

To its credit, K mart has seen each of its specialty chains (Builders Square, Pay Less Drugs NW, Waldenbooks) grow to become top players in their respective fields (home centers, drug stores, book stores).

Under terms of the agreement, K mart has the right to acquire additional equity in OfficeMax within a specified period of time. Neither the final equity position nor the time frame were made public. Industry observers speculate that K mart plans to eventually assume full ownership of OfficeMax once it becomes a formidable national chain.

In addition to the far-reaching financial advantages of the pending sale, the Office Square acquisition permits OfficeMax to claim dominance over the Chicago market—now with 11 units. It also helps the chain move with strength into other areas, particularly in the Midwest and then into the Northeast.

Feuer said OfficeMax is currently "evaluating our strategic focus for next year and looking at adding stores in existing markets plus other areas." He would not disclose potential new markets but did say that he would "not be jumping to California or Florida next year barring an acquisition."

OfficeMax signs will go up on all Office World by OfficeMax and Office Square stores when the current sale is completed.

Because the stores from both chains are fairly compatible, little remodeling will be necessary, said Feuer, noting that in addition to exterior signs, OfficeMax will changes interior signage and color scheme to match OfficeMax's format but that the basic merchandise selection will remain intact.

QVC Integrates CVN Strategies

(Continued from page 6)

the CVN acquisition. Sales in the six months ended July 31 of $320.1 million were up 198% from $107.4 million last year, while there was a $10.3 million net loss compared with $2 million in net profits in 1989. In the first quarter ended April 30, volume increased 207% to $161.3 million from $52.5 million, while the bottom line showed a $5.8 million net loss compared with $1.2 million in net earnings.

QVC's sales goal this year was $900 million, or double 1989's $454.3 million volume. But Segal backed off that figure, telling security analysts "I don't see reaching it because of the weakening economy."

Besides recapturing the former CVN shoppers as QVC customers, QVC, through its new programs, is shooting to bring their purchases up to its average sale of $42.

Jewelry merchandise accounts for about half of QVC's sales, with the teleshopper's share of Sears products sold on its network amounting to 7% to 8% of volume and QVC's revenues from the JCPenney TV Shopping Network totaling 1% to 2% of sales. QVC gets 25% of the revenues of Sears goods sold on its program while its revenues from JCPenney TV Shopping Network are a combination of a percentage of sales and income from leasing a transponder to that network.

Segal noted that QVC's sales don't include income from shipping and handling charges. He said that HSN includes these charges as part of its sales. Trade sources noted that these revenues account for about 12% of HSN's volume and that the shipping and handling operation is a profit center for that teleshopper.

The three marketing moves, Segal said, are expected to attract former CVN customers, many of whom indicated these features were an important shopping benefit when they decided to purchase goods on CVN.

QVC will also spend about $2.5 million in a major promotional mailing to over six million cable households that had received CVN.

Overall, QVC estimated that about 31 million cable TV subscribers who can receive the teleseller haven't bought any goods from the network. The retailer's total customer base last year—consumers who had placed at least one order with either QVC or CVN—was 4.5 million households.

To strengthen its reach to the broader cable TV market, which include homes that use backyard satellite dishes to view programs, QVC is expanding its marketing relationships with sport figures, movie stars and other celebrities. Johnny Bench, Brooke Shields, Victor Kiam, Helen Hayes,Bobby Rydell, Bob Keeshan (Captain Kangaroo) and Angie Dickinson are among the celebrities that have appeared on QVC shows.

Kmart Reveals Logo for the '90s

(Continued from page 1)

changing to satisfy the needs of our customer. But nothing we've ever done compares to the changes we'll be making over the next five years.

"We're changing the way we look, feel and act. With more brand-name products, new store designs, and improved service. We know you want to feel good about where you shop. So we're going to do everything it takes to make you love the new K mart."

Ironically, it was *USA Today* that broke the story and stole the thunder from K mart's announcement. The day before the scheduled press conference a reporter for the newspaper discovered shopping carts with the new logo behind the Oak Park store. As a result, K mart was forced to release the big news earlier than it wanted to.

However, while it took less than an hour to unveil its new logo, it will take K mart at least five years before the logo is in place systemwide. While Antonini would prefer to have the entire modernization program completed earlier, there are currently no plans to further accelerate the five-year plan. The logo will be rolled out in phases. Antonini said all newly built and expanded stores will get the logo, while other stores will convert to the new signage as they are refurbished. He pointed out that by year-end just over 100 of 2,300 stores will have the new look. The entire rollout will be completed by 1995.

The new red and white logo was designed by Anspach, Grossman, Portugal Inc. (AGP), a New York-based design firm. It emphasizes the bold, red "K" with the word "mart" centered on an angle. According to Ken Love, partner and creative director for AGP, the illuminated sign is constructed of acrylic and aluminum, making it stronger and easier to maintain than the old sign.

Despite the transition from blue to red, Antonini said the nostalgic blue light specials "are not a thing of the past."

With his family and friends watching, Antonini unveiled the logo a second time in Morgantown. "Look around this store ... and be proud of the new look," Antonini told over 100 employees in the entranceway to the store, again emphasizing the chain's commitment to renewal.

The 86,500-square-foot store anchors the new upscale Morgantown Mall at I-79 and Route 19 along with JCPenney and Sears. It features a prototype layout identical to the Oak Park store, which debuted in August 1989.This "look of the '90s" incorporates more colorful displays, bolder product presentations, wider aisles, and higher ceilings.

One of the key changes now being incorporated into the prototype is a new "dump table" program. Well-planned and coordinated products are again being merchandised in the wider aisles as special purchases. A K mart executive said this program will be planned by headquarters and rolled out nationwide.

Antonini told DSN that the new prototype format has increased sales per square foot significantly. He said that stores with the new format average $190 to $250 per square foot, an increase of $40 to $50.

K mart now operates 16 stores in West Virginia and has identified the state as a key growth area with more than 12 additional stores being planned. K mart has over 1,800 employees in the state.

A week after the Morgantown opening, Antonini and lifestyle consultant Martha Stewart attended ribbon-cutting ceremonies for another store in Birmingham, Ala.

Fleming to Feed New Super Kmart

TROY, Mich. — Fleming Companies will be the primary food supplier to the new Super K mart Center scheduled to open next spring in Medina, Ohio.

Larry Parkin, K mart's executive vice president for warehouse and grocery operations, said Fleming "has the capability to provide the support necessary to help assure this venture's success."

Fleming is the nation's largest wholesale food distributor, supplying more than 5,000 stores in 36 states and the Caribbean.

The Super K mart will be a 147,000-square-foot food and general merchandise store.

In addition to supplying foodstuffs for K mart, Fleming was the original supplier to Wal-Mart's Hypermarket USA in Topeka, Kansas.

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Vol. 29, No. 19 October 1, 1990

Influence of Store Managers Has Its Limits

(Continued from page 1)

cation and brand promotions. Even fewer, about 15%, said they can influence decisions made by their headquarters buyers, and only about 12% feel they can veto the selection of a product for their store.

Further, nearly half the managers surveyed said they have no influence at all on whether or not to stock a brand in their store; more than half said they have no ability to influence a buyer's decision; and four out of 10 said they have no influence on which brands are promoted.

Predictably, Wal-Mart managers were most confident of their ability to shape merchandising decisions. Deeply ingrained in the Wal-Mart culture is the notion that store associates are merchants, whose opinions are deeply valued by those at headquarters.

Eight out of 10 managers of a Wal-Mart discount store feel they exert a good deal of influence on the way merchandise is displayed in their store; nearly half said they have a "great" deal of influence on merchandise displays. That compared with 20 percent of K mart and Ames store managers who said they have a "great" deal of influence on product displays. Still, even at K mart and Ames, roughly half those managers feel they have significant say in how merchandise is displayed in their stores.

Rigid headquarters planogramming at Target probably contributed to its store managers' view that they have very limited say in merchandising decisions.

Only about two in 10 Target managers responded that they have a good deal of influence on product display, and even fewer, less than one in 10, feel they have a "great" deal of influence on that decision. Across the board, Target managers scored lower than those at Wal-Mart, K mart and Ames in their ability to influence space devoted to different brands, which brands are promoted, and other merchandising decisions.

Among all discount store managers who do have a say on merchandising decisions, most of that influence extends to hard lines categories. Food, candy and snacks received the greatest number of mentions from store managers as a category over which they have influence.

Right behind, in terms of store-level influence, was H&BA, followed, in order, by hardware, household cleaners and chemicals, sporting goods, toys, housewares, consumer electronics, and lawn, garden and patio.

Managers said they exert the least amount of influence over greeting cards, followed in order of increasing influence, personal care appliances, children's apparel, photo and camera, men's apparel, cosmetics, automotives and women's apparel.

This store manager influence report was culled from *DSN's* Top Brands Study *(see page 33)*. In addition to asking them how much influence they have on merchandising decisions, the study asked 301 store managers of both conventional and upscale discount stores their opinions on the best performing brands in their stores and why those brands are successful.

Prange Way Finances LBO With Help From Wisconsin

(Continued from page 7)

its had been trending downward in the face of rising operating profits for the previous three years until the company posted a $28 million pretax loss in 1989 and a net loss of $17 million. In 1988, net profits equaled a slim 2.5% of sales: $10.6 million on $420.5 million in revenues, Prange disclosed in its SEC filing.

Another source pegged Prange's operating earnings in 1989 at around $11 million, a decline from the $23.2 million in 1988 disclosed in the filing. That compares with $21.1 million in 1987 and $19.4 million in 1986.

With cash flow from operations having turned negative last year, Prange needs cash to finance the department store war in Wisconsin that escalated sharply last year when Target parent Dayton Hudson acquired Marshall Field, with four stores in Wisconsin.

Covering Expenses

To cover the expenses of divesting Prange Way, its parent established a $24 million reserve. But actual expenses totaled $31.7 million, including a $14.7 million write-off this year and $17 million more in accrued expenses, industry sources said.

Prange refused to discuss any financial details about its Prange Way divestiture.

Prange Way is going through a nine month to 12 month transition period during which it will continue to use Prange's distribution system, as well as office space at Prange headquarters and support services such as MIS, Sommer said in an interview.

During that transition period, Prange Way will develop its own distribution network, offices and MIS system, he added.

After Prange Way weans itself from its parent, the chain will embark on a two-store-a-year expansion program in 1992, Sommer said. Prange Way has identified 12 markets within Wisconsin as expansion candidates, he said.

Stores average about 65,000 square feet in size.

Prange Way sales grew to $186 million in 1989 from $158.1 million in 1988, mostly from the acquisition of seven former Schultz stores, Sommer said. Same store sales showed only "a slight gain," he said.

In addition to growing more rapidly as an independent, Prange Way will become a leaner, more profitable operation, Sommer predicted.

Prange Way had to absorb some overhead costs of its parent that made for a high expense ratio, he said. Prange Way is shooting to reduce its expense ratio to that of K mart, 22.5% in 1989.

In 1989, Prange's expense ratio rose more than an estimated 31% on a consolidated basis, according to an industry source. In comparison, its expense ratio was 29.7% of sales in 1988, the SEC filing shows.

The chain plans no personnel cuts, and, indeed, will be adding accounting and payroll employees to headquarters staff, Sommer said. Prange Way employs 2,500 year round, 3,500 at Christmas, he said.

Sommer declined to disclose profit margin last year as a percentage of sales.

An immediate expense reduction is a halving of the interest rate on its debt, Sommer said. Moreover, unlike many companies that underwent an LBO, Prange Way started life as an independent with a ratio of debt to sales that falls in the same league with Wal-Mart and K mart, Sommer claimed.

Wal-Mart Invades the Northeast

(Continued from page 1)

intends to open seven discount stores in Pennsylvania, including two outside the capital city of Harrisburg and 10 Sam's, including three in Philadelphia.

With the addition of Pennsylvania, Wal-Mart operates in 28 states. California, where Wal-Mart opened its first store in August, was No. 27.

The other four confirmed Wal-Mart stores in Pennsylvania will be in Gettysburg, expected to open the first of the year; Meadville, south of Erie; State College, home of Penn State University; and Bloomsburg, in the northeastern part of the state.

Through the happenstance of being converted from a JCPenney unit, the York Wal-Mart came in at 130,789 square feet, compared with the chain's largest prototype of 115,000 square feet.

But, aside from more seasonal floor area and more "action alley" tables, "it will be just another Wal-Mart," manager Terry Sartan said. "The extra space will show up here and there throughout the store."

In a release, Wal-Mart said the York store will feature the normal 36 departments, although the health & beauty aids department will be expanded.

The store will include a pharmacy but no vision-center and no automotives service.

The Sam's in York will be its standard prototype of about 110,000 square feet.

In addition to the three units in Philadelphia, other Sam's are scheduled to be built in: Allentown, Harrisburg, Johnstown, Lancaster, Reading and Wilkes-Barre, Pa.

In another pairing of a discount store and wholesale club, one of the two Harrisburg Wal-Marts will be built alongside a Sam's.

Wal-Mart's initial strategy calls for avoiding the two major Pennsylvania cities, Pittsburgh, close to the Ohio border in the west, and Philadelphia, which borders New Jersey on the east.

Instead, all seven discount stores will be built in the central part of the state in small cities ranging from Gettysburg, population about 7,000, to York, 44,000, and Harrisburg, about 52,000, to State College, the largest at 70,000.

All six host communities are homes to various colleges and universities, offering an element of economic stability.

Except for State College, where half the population are Penn State students, the towns also are county seats, offering still more stability. In addition, state government is the largest employer in the Harrisburg area, pumping about 20,000 paychecks into the local economy.

Sears Cuts Staff, Plans New Promotions

(Continued from page 5)

and ceo Edward A. Brennan said, "We are eliminating a layer of management and consolidating certain corporate and merchandise group staff areas as part of an ongoing companywide effort to reduce expenses."

Brennan has been under growing pressure to reduce Sears' costs and boost profits. In August, he took over day-to-day control of the lackluster merchandising group, removing Michael Bozic, then chairman and ceo of that operation (see *DSN*, Aug. 20).

Brennan's action was the latest step in a series of moves to revive the merchandising group. Last year it carried out a reorganization of the merchandising group, but to little avail, as sales continued to be weak and profits dropped.

In the reorganization, the heads of six merchandising areas—home appliances and entertainment; home fashion's; men's and children's apparel; women's apparel; home improvement, and automotives products—now report to Laurence E. Cudmore, president of retail. Previously, the hard lines executives reported to Matthew A. Howard and soft lines to Eric D. Saunders, both senior executive vps.

Howard was named sr.vp of marketing, succeeding Thomas E. Morris, vp of marketing, while Saunders became vp, home fashions group, succeeding Jerry A. Hand. Morris and Hand have resigned.

Four corporate and merchandising group departments have been combined:

- Planning, headed by vp Jane J. Thompson. Robert E. Wallace, vp, planning and research for the merchandise group will work on a special project reviewing all phases of inventory management.
- Human resources, headed by vp Warren F. Cooper. Con S. Massey, senior vp, human resources and administration is retiring.
- Law, headed by senior vp David Shute. Vincent Jones, vp and general counsel for the merchandising group is deputy general counsel.
- Public affairs, headed by vp Charles J. Ruder.

Moody's downgraded the Sears debts because "improvements within the intensely competitive merchandising sector hasn't been nor will be achieved as quickly as [Sears] originally anticipated."

Gitano Intros Men's Concept Shop

(Continued from page 5)

tive from the 77 general merchandise stores it operates at manufacturer outlet malls in that it is in a more upscale atmosphere and neighborhood.

The 9,000-square-foot flagship store carries merchandise from its men's, women's, children's and accessories divisions.

Bob Negron, president of Gitano Retail, said the store would be used as a laboratory.

"It is situated close to our showrooms in New York so it provides a means for us to show our clients the merchandising possibilities of our lines," he said.

The store is located in one of New York's busiest shopping districts, Herald Square, near Macy's and A&S Plaza. Negron said the store traffic would help the manufacturer "gauge the market and see what works and what the customer is buying."

Negron said there were no plans to open other Gitano & Co. stores.

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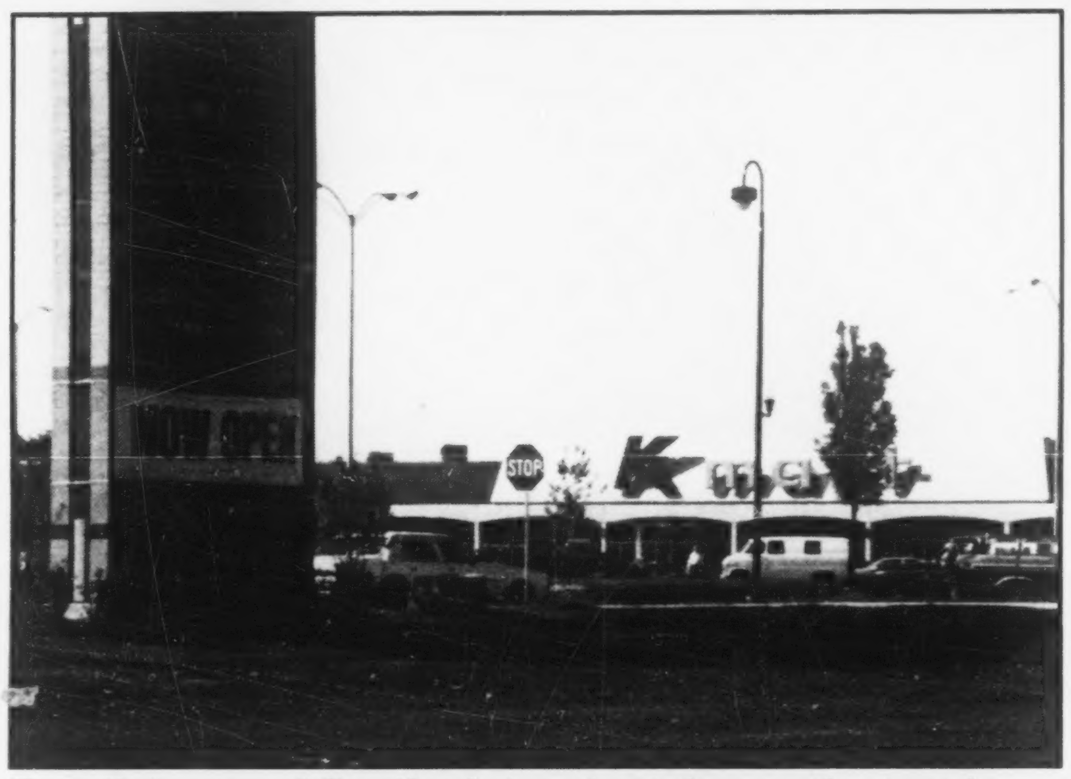
Target: $15B, 630 Units by '95

Greatland: Extra Space, Deeper Merchandise Mix

APPLE VALLEY, Minn. — At a time when retailers across the country are opening their own versions of the store of the '90s, Target last month unveiled its Greatland superstore concept.

"Target Greatland is the result of 25 years of retail experience and customer feedback," said Robert Ulrich, chairman and chief executive officer of the Minneapolis-based discounter. "It is the ultimate discount store for the more sophisticated, time-conscious '90s consumer."

At 169,000 square feet, Greatland is more than 50% larger than a typical 100,000-square-foot Target store. The extra space has enabled the chain to utilize wide 10-foot to 12-foot aisles (from 12 inches to 16 inches wider than similarly located aisles in the regular Target prototype), create special "shop" areas that combine products from several merchandise categories under a similar theme, and devote additional space to numerous customer service enhancements, like six highly visible mini-information centers containing a telephone and a bar code scanner so that shoppers can scan merchandise that doesn't have price tags.



***Target's inaugural Greatland store,** located across the street from a K mart, is spacious enough to accommodate special 'shop' areas for cross-merchandising products with similar themes.* (DSN photo)

The extra space also allows Target to increase the depth of merchandise in most every product category and expand the selection in several killer departments, such as toys, basic housewares and health and beauty aids.

(Continued on page 16)

All-Out Growth Drive Features Tailoring Stores to Market Size

By Don Longo

MINNEAPOLIS — "Sometimes You Just Need a Bigger Target," was the tagline used in a series of teaser advertisements and outdoor billboards for the Sept. 30 grand opening of Target's new Greatland superstore format in Apple Valley, Minn.

That slogan could also apply to the expansion plans of this $7.5 billion upscale discount store chain as it opens an average of one new store a week between now and 1995. This expansion, through a variety of store formats, will result in a bigger Target with annual chainwide sales of over $17 billion by 1995, said Jack Fontaine, senior vice president for property development.

At a meeting here attended by hundreds of its vendors last month, Target revealed details of its growth strategy, explained the unique features of its new 169,000-square-foot Greatland store, and announced plans for another new store format designed for smaller markets.

The Target team, under the leadership of chairman and chief executive officer Robert Ulrich, also talked about their merchandising philosophy, reviewed strides made in forming closer partnerships with the chain's vendors, and previewed upcoming marketing programs designed to drive sales through the key selling seasons of Halloween, Thanksgiving, Christmas and beyond.

The real bombshell of the meeting was dropped by Fontaine, who reported that Target will unveil its new SM (Small Market) format stores in four county seats in Minnesota next year: Morehead (on the North Dakota border), Brainerd (in central Minnesota), Wilmar (about 100 miles west of Minneapolis) and Bimidji (North Central Minnesota).

(Continued on page 16)

Zellers, Woolworth Face Off for Control of Towers

By Mary Ellen Kelly

MISSISSAUGA, Ontario — Towers Department Stores, the 51-unit discounter based here, is caught in a
t tween two of Canada's largest discount
s lers and Woolworth.
as the potential to upset the balance of
handful of dominant retailers in Canada.
nart Canada reported it has signed a letter
s 154-unit Bargain Harold's chain to an un-
individuals who have a retail background.
, The Hudson's Bay Co. and Towers' par-

(Continued on page 62)

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dress Goers page 4
Wall St. Bears Maul Discounter Stocks page 54

Grandpa Pidgeon's Hangs Tough

Shuns 'Me-Too' Approach in Overstored St. Louis

ST. LOUIS — Full-line regional discounter Grandpa Pidgeon's opened its eleventh store here last month, maintaining its store-count dominance in this market. Another store is slated to open in the North County area of St. Louis next year, according to company president Tom Holley.

Looking into the future, another three or four stores could be worked into the St. Louis market before the chain would need to move to a second market, added Tom Riess, vice president, merchandising.

***Tom Holley, president,** and Tom Riess, vp, merchandising, stand inside the 11th Grandpa Pidgeon's store to open in the St. Louis market.* (DSN photo)

Grandpa's will need to batten down the retail hatches this year as the already heavily stored market is being showered with new discount specialty store openings. Circuit City is said to be coming to St. Louis with six stores; Phar-Mor will be boosting its current two stores to seven or eight.

Builders Square, already a formidable competitor, is steadily increasing its presence, competing with Grandpa's extensive hardware and automotives departments. Full-line discounters such as Venture, K mart, Wal-Mart and Target are omnipresent, as are off-price apparel chains like Marshalls.

Riess said that "during the past 10 years, retail square footage per capita in St. Louis has doubled," and the numbers continue to climb. "The pie is cut into more pieces," he noted, "yet Grandpa's still does well . . . People really are convinced we have the right price."

The newest Grandpa's opened in St. Louis borrows strategies found at some of the larger chains such as higher cube displays, while sticking to its unique approach to discounting that sets it apart from the rest.

The higher cube displays paid off particularly well in the wall decor category. Sales are already twice what they were this time last year despite an actual reduction in the category's

(Continued on page 61)

COMPARE & SAVE
Bradlees brands are the same quality as national brands, but cost you less!
DOUBLE COUPONS EVERY DAY!
EXTRA SPECIALS
ALTH & BEAUTY
Health & Beauty
We've got more for less!
4.99
Bradlees

Grocery items are being used as traffic builders and as convenience items to meet the needs of a broad base of consumers.

Third Annual

Consumer Grocery Purchase Survey

More shoppers are buying food in drug and discount stores, and net grocery purchases are increasing in almost all categories.

As retailers recognize, the distinctions between mass food and non-food drug and general merchandise stores are rapidly disappearing.

Food stores sell pharmaceuticals, health and beauty aids, and cosmetics as well as various additional types of general merchandise products, while non-food stores like K mart and Walgreens sell a large assortment of foods, cleaners, and other "traditional" grocery items.

For the past three years, *FM* has been tracking consumer purchases of traditional grocery product categories like candy and gum, snacks, packaged dry groceries, soft drinks, household cleaners, and pet foods through drug and discount store outlets.

This year, *FM* has discovered that the number of people who buy groceries in either drug or discount stores is up significantly over last year.

According to *FM*'s latest consumer survey, which was conducted last May by Nebraska-based Fairfield Research, 78 percent of all consumers do buy at least some grocery household products in discount stores, and 58 percent sometimes buy such items in drug stores.

In 1987, when *FM* conducted its first consumer survey, only 44 percent of all consumers ever bought grocery items in discount stores and just 31 percent reported doing the same in drug stores.

Fairfield Research used a national probability sample for this survey working from a base of 200 telephone interviews with males and females who were responsible for the food and grocery shopping in their households.

Since 1987, of course, grocery products have also become much more visible in both drug and discount stores. Most non-food chains aggressively advertise groceries as traffic builders, and many also have ev-

Grocery purchases in non-food stores

Store type	% of all consumers purchasing some groceries		
	1990	1989	1987
Discount stores	78%	44%	44%
Drug stores	58	19	31

Source: Fairfield Research

Where consumers shop most often for household products

Store type	% of consumers who shop here	Mean number of shopping trips per month
Grocery store	98%	6.94
Discount store	81	3.33
Drug store	70	2.94
Convenience store	37	5.97
Warehouse club	26	2.46

Source: Fairfield Research

Changes in incidences of food/grocery purchases in non-food stores

Category	Net change in food/grocery purchases 1990 vs. 1989+	
	Discount stores	Drug stores
Laundry/cleaning supplies	22	53
Dry packaged groceries	21	33
Non-alcoholic beverages	19	36
Garbage bags/food wraps	15	7
Candy/gum	14	4
Household paper goods	14	16
Pet foods and accessories	13	50
Beer, wine, alcohol	9	(2)
Soft drinks	6	0
Chips/snacks	3	5

+ — Net change is the difference between the percent of respondents who increased food and grocery purchases over last year versus those who decreased purchases.

Source: Fairfield Research

eryday departments for high consumption categories like candy, snacks, soft drinks, paper products, household cleaners and pet foods as well as some convenience food sets for dry packaged or canned groceries.

For most of the categories *FM* tracked, this year non-food chains are getting a broader base of consumers to make specific grocery purchases in their stores at least some of the time. In a few categories, however, there were declines.

Discount store findings:

In the nine categories with comparative data, the base of shoppers making grocery purchases in discount stores was up in three specific segments: candy and gum, laundry and cleaning supplies, and household paper goods.

It was down slightly in two categories: chips and snacks and soft drinks, and down sharply in dry packaged groceries and non-alcoholic beverages. There was no change in the number of consumers buying beer, wine and other alcoholic beverages or pet foods in discount stores.

Drug store findings:

In drug stores in the same nine categories, the base of shoppers making grocery purchases was up in six specific segments: candy and gum; laundry and cleaning supplies; soft drinks; other non-alcoholic beverages like juices; beer, wine and alcohol; and household paper goods.

The base of shoppers was down slightly in chips and snacks, and down more sharply in dry packaged groceries and pet foods.

Clearly, the overall base of people shopping for groceries in non-food stores is growing, and the equally good news is that as this base grows, the number of purchases of groceries is also going up in all categories tracked.

The largest net gains in grocery purchases are coming from people who buy packaged groceries and laundry supplies in discount stores, and from people who buy these two categories plus pet food and pet supplies in drug stores.

Let's first look at the number of consumers who say they do sometimes buy groceries in discount stores.

In 1989, just 33 percent of all consumers reported they sometimes bought candy and gum in the

Grocery Items That Discount Store Shoppers Buy

Among the 78 percent of all consumers who do buy some groceries in discount stores:
- 63 percent buy some kind of household paper product like facial tissues or toilet paper;
- 60 percent buy candy and gum;
- 52 percent buy garbage bags;
- 49 percent buy laundry detergent;
- 33 percent buy a snack;
- 30 percent buy a soft drink;
- 24 percent buy either pet foods or a pet accessory item;
- 19 percent a juice, bottled water, or other non-alcoholic beverage;
- 17 percent buy a packaged grocery; and
- 7 percent buy some beer or wine.

Grocery Items That Drug Store Shoppers Buy

Among the 58 percent of all consumers who do buy some groceries in drug stores:
- 64 percent buy candy and gum;
- 38 percent buy some kind of household paper product like facial tissues or toilet paper;
- 23 percent buy a soft drink;
- 19 percent buy a snack;
- 16 percent buy laundry detergent;
- 14 percent buy some beer or wine;
- 13 percent buy garbage bags;
- 9 percent buy a juice, bottled water or other non-alcoholic beverage;
- 3 percent purchase a packaged grocery; and
- 2 percent buy either pet foods or a pet accessory item.

How effective discount stores are in persuading consumers to buy groceries in their stores

Category	% of consumers who ever buy groceries in discount stores	
	1990	1988
Household paper goods	51%	38%
Candy/gum	49	33
Garbage bags/food wraps	43	na
Laundry/cleaning supplies	40	38
Chips/snacks	27	30
Soft drinks	24	28
Pet foods and accessories	20	20
Non-alcoholic beverages	16	24
Dry packaged groceries	14	25
Beer, wine, alcohol	6	6

Source: Fairfield Research

How effective drug stores are in getting consumers to buy groceries in their stores

Category	% of consumers who ever buy groceries in drug stores	
	1990	1988
Candy/gum	38%	14%
Household paper goods	22	11
Soft drinks	13	10
Chips/snacks	11	13
Laundry/cleaning supplies	10	9
Garbage bags/food wraps	8	na
Beer, wine, alcohol	8	4
Non-alcoholic beverages	6	5
Dry packaged groceries	2	6
Pet foods and accessories	1	4

na — Not available
Source: Fairfield Research

discount stores they shopped; this year, an estimated 49 percent said they did so.

Last year, just 38 percent of all respondents said they sometimes bought household paper products in discount stores; this year, 51 percent did so.

Discount stores, however, lost ground with consumers making dry or packaged grocery purchases. Last year 25 percent of the respondents said they sometimes bought dry or packaged groceries such as soups, pickles and olives in discount stores; this year, just 14 percent did so.

Last year, 24 percent reported they were making some purchases of non-alcoholic beverages like juices and bottled waters in discount stores; this year the figure was 16 percent.

The drug store industry had a similar pattern of sales trends.

In 1989, just 14 percent of all respondents reported buying candy or gum sometimes in drug stores; this year the figure was up to 38 percent.

Also, last year 11 percent said that they sometimes bought household paper products in drug stores. This year that figure has increased to 22 percent who regularly do so.

Drug store snack sales

But drug stores lost some customers in the mood to purchase chips and snacks. A total of 13 percent bought these types of snacks at drug stores last year, and only 11 percent reported that they are doing so this year.

The figures for packaged groceries were 6 percent last year and 2 percent this year.

Where Most People Shop For Supplies

If you ever wondered what kind of store gets the most traffic and the highest frequency of store visits, it's a food store.

FM's latest consumer survey showed that 99 percent of all consumers buy household products in food stores.

Consumers visit food stores a mean 6.94 times a month.

Discount stores also attract a large number of customers; 81 percent of the respondents in the survey reported they do make household purchases in discount stores. Those who shop these stores visit them 3.33 times a month.

Drug stores do not have as large a consumer base, even though they are often more conveniently located. A total of 70 percent of respondents said they buy some household necessities in drug stores.

Everyday items paramount

Like food stores and discount stores, drug stores generally stock many items people use everyday: groceries, toiletries, and household cleaning products.

Unlike food and discount stores, which attract a much broader base of shoppers, shoppers visit drug stores 2.94 times a month.

In comparison, a convenience store attracts 37 percent of consumers, but they visit them 5.97 times a month.

The *FM* survey suggests that drug stores need to develop stronger merchandising programs. Drug stores aren't getting as many grocery purchases per visit as discounters enjoy, even in such high-consumption categories as candy, chips, and soft drinks.

In terms of total base of shoppers, warehouse clubs also have a small universe of shoppers, but these shoppers are big spenders who travel hefty distances to stock up on items they then turn around and resell.

Their visits may be less frequent than visits to conventional retail stores, but their average checks total hundreds of dollars.